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ARTES SCIENTIA VERITAS

COMMONWEALTH OF AUSTRALIA.

PARLIAMENTARY DEBATES.

SESSION 1904.

(FIRST SESSION OF THE SECOND PARLIAMENT.)

4 EDWARD VII.

IN SEVEN VOLUMES.

VOL. XVIII.

(Comprising the period from 2nd March to 21st April, 1904.)

SENATE AND HOUSE OF REPRESENTATIVES.

29th
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PARLIAMENT OF THE COMMONWEALTH.

GOVERNOR-GENERAL.

His Excellency the Right Honorable HENRY STAFFORD, BARON NORTHCOOTE, Knight Grand Cross of the Most Distinguished Order of Saint Michael and Saint George, Knight Grand Commander of the Most Eminent Order of the Indian Empire, Companion of the Most Honorable Order of the Bath, Governor-General and Commander-in-Chief of the Commonwealth of Australia.

DEAKIN ADMINISTRATION.

(24th September, 1903, to 26th April, 1904.)

Minister of External Affairs	...	The Honorable Alfred Deakin.
Minister of Trade and Customs	...	The Honorable Sir William John Lyne, K.C.M.G.
Treasurer	...	The Right Honorable Sir George Turner, P.C., K.C.M.G.
Minister of Home Affairs	...	The Right Honorable Sir John Forrest, P.C., G.C.M.G.
Attorney-General	...	The Honorable James George Drake.
Postmaster-General	...	The Honorable Sir Philip Oakley Fysh, K.C.M.G.
Minister of Defence	...	The Honorable Austin Chapman.
Vice-President of Executive Council		The Honorable Thomas Playford.

WATSON ADMINISTRATION.

(27th April to 17th August, 1904.)

Treasurer	...	The Honorable John Christian Watson.
Minister of External Affairs	...	The Honorable William Morris Hughes.
Attorney-General	...	The Honorable Henry Bourne Higgins, K.C.
Minister of Home Affairs	...	The Honorable Egerton Lee Batchelor.
Minister of Trade and Customs	...	The Honorable Andrew Fisher.
Minister of Defence	...	The Honorable Andersen Dawson.
Postmaster-General	...	The Honorable Hugh Mahon.
Vice-President of Executive Council		The Honorable Gregor McGregor.

REID-McLEAN ADMINISTRATION.

(From 18th August, 1904.)

Minister of External Affairs	...	The Right Honorable George Houston Reid, P.C., K.C.
Minister of Trade and Customs	...	The Honorable Allan McLean.
Attorney-General	...	The Honorable Sir Josiah Henry Symon, K.C.M.G., K.C.
Treasurer	...	The Right Honorable Sir George Turner, P.C., K.C.M.G.
Minister of Home Affairs	...	The Honorable Dugald Thomson.
Minister of Defence	...	The Honorable James Whiteside McCay.
Postmaster-General	...	The Honorable Sydney Smith.
Vice-President of Executive Council		The Honorable James George Drake.

MEMBERS OF THE SENATE.

SECOND PARLIAMENT.—FIRST SESSION.

President—The Hon. Sir Richard Chaffey Baker, K.C.M.G., K.C.

Baker, Hon. Sir Richard Chaffey, K.C.M.G., K.C.	...	South Australia.
Best, Hon. Robert Wallace ...	...	Victoria.
Clemons, Hon. John Singleton ...	...	Tasmania.
Croft, John William ...	...	Western Australia.
Dawson, Hon. Anderson ...	...	Queensland.
De Largie, Hon. Hugh ...	...	Western Australia.
†Dobson, Hon. Henry ...	...	Tasmania.
Drake, Hon. James George ...	...	Queensland.
Findley, Edward ...	...	Victoria.
Fraser, Hon. Simon ...	...	Victoria.
Givens, Thomas ...	...	Queensland.
Gould, Lt.-Col., Hon. Albert John ...	...	New South Wales.
Gray, John Proctor ...	...	New South Wales.
Guthrie, Robert Storrie ...	...	South Australia.
Henderson, George ...	...	Western Australia.
†Higgs, Hon. William Guy ...	...	Queensland.
Keating, Hon. John Henry ...	...	Tasmania.
Macfarlane, Hon. James ...	...	Tasmania.
Matheson, Hon. Alexander Perceval ...	...	Western Australia.
McGregor, Hon. Gregor ...	...	South Australia.
Millen, Hon. Edward Davis ...	...	New South Wales.
Mulcahy, Hon. Edward ...	...	Tasmania.
†Neild, Lt.-Col. Hon. John Cash ...	...	New South Wales.
O'Keefe, Hon. David John ...	...	Tasmania.
Pearce, Hon. George Foster ...	...	Western Australia.
Playford, Hon. Thomas ...	...	South Australia.
Pulsford, Edward ...	...	New South Wales.
Smith, Hon. Miles Staniforth Cater ...	...	Western Australia.
*Stewart, Hon. James Charles ...	...	Queensland.
Story, William Harrison ...	...	South Australia.
Styles, Hon. James ...	...	Victoria.
Symon, Hon. Sir Josiah Henry, K.C.M.G., K.C.	...	South Australia.
Trenwith, Hon. William Arthur ...	...	Victoria.
Turley, Henry ...	...	Queensland.
Walker, Hon. James Thomas ...	...	New South Wales.
Zeal, Hon. Sir William Austin, K.C.M.G.	...	Victoria.

* Sworn 9th March.

† Elected Chairman of Committees, 16th March.

‡ Appointed Temporary Chairman of Committees, 18th April.

MEMBERS OF THE HOUSE OF REPRESENTATIVES.

SECOND PARLIAMENT.—FIRST SESSION.

Speaker.—The Hon. Sir Frederick William Holder, K.C.M.G.

Bamford, Hon. Frederick William ...	...	...	Herbert. (Q.)
††Batchelor, Hon. Egerton Lee ...	...	...	Boothby (S.A.)
§§Blackwood, Robert Officer ..	...	...	Riverina. (N.S.W.)
Bonython, Hon. Sir John Langdon ...	...	...	Barker. (S.A.)
*Braddon, Right Hon. Sir Edward Nicholas Coventry, P.C., K.C.M.G. ...	...	...	Wilmot. (T.)
Brown, Hon. Thomas ...	...	...	Canobolas. (N.S.W.)
‡Cameron, Hon. Donald Norman ...	...	...	Wilmot. (T.)
Carpenter, William Henry ...	...	...	Fremantle. (W.A.)
||Chanter, Hon. John Moore... ..	...	...	Riverina. (N.S.W.)
Chapman, Hon. Austin ...	...	...	Eden-Monaro. (N.S.W.)
Conroy, Hon. Alfred Hugh Beresford ...	...	...	Werriwa. (N.S.W.)
Cook, Hon. James Newton Haxton Hume ...	...	...	Bourke. (V.)
Cook, Hon. Joseph ...	...	...	Parramatta. (N.S.W.)
Crouch, Hon. Richard Armstrong ...	...	...	Corio. (V.)
Culpin, Millice ...	...	...	Brisbane. (Q.)
Deakin, Hon. Alfred ...	...	...	Ballarat. (V.)
Edwards, Hon. George Bertrand ...	...	...	Sth. Sydney. (N.S.W.)
Edwards, Hon. Richard ...	...	...	Oxley. (Q.)
Ewing, Hon. Thomas Thomson ...	...	...	Richmond. (N.S.W.)
Fisher, Hon. Andrew ...	...	...	Wide Bay. (Q.)
Forrest, Right Hon. Sir John, P.C., G.C.M.G....	...	...	Swan. (W.A.)
Fowler, Hon. James Mackinnon ...	...	...	Perth. (W.A.)
Frazer, Charles Edward ...	...	...	Kalgoorlie. (W.A.)
Fuller, Hon. George Warburton ...	...	...	Illawarra. (N.S.W.)
Fysh, Hon. Sir Philip Oakley, K.C.M.G.	...	...	Denison. (T.)
Gibb, James ...	...	...	Flinders. (V.)
Glynn, Hon. Patrick McMahon ...	...	...	Angas. (S.A.)
††Groom, Hon. Littleton Ernest ...	...	...	Darling Downs. (Q.)
Harper, Hon. Robert ...	...	...	Mernda. (V.)
Higgins, Hon. Henry Bournes, K.C. ...	...	...	Nthrn. Melbourne. (V.)
Holder, Hon. Sir Frederick William, K.C.M.G.	...	...	Wakefield. (S.A.)
†Hughes, Hon. William Morris ...	...	...	West Sydney. (N.S.W.)
Hutchison, James ...	...	...	Hindmarsh. (S.A.)
Isaacs, Hon. Isaac Alfred, K.C. ...	...	...	Indi. (V.)
Johnson, William Elliott ...	...	...	Lang. (N.S.W.)
Kelly, William Henry ...	...	...	Wentworth. (N.S.W.)
Kennedy, Hon. Thomas ...	...	...	Moir. (V.)
Kingston, Right Hon. Charles Cameron, P.C., K.C.	...	...	Adelaide. (S.A.)
Knox, Hon. William ...	...	...	Kooyong. (V.)
Lee, Henry William ...	...	...	Cowper. (N.S.W.)
Liddell, Frank ...	...	...	Hunter. (N.S.W.)
†Lonsdale, Edmund ...	...	...	New England. (N.S.W.)
Lyne, Hon. Sir William John, K.C.M.G.	...	...	Hume. (N.S.W.)
Mahon, Hon. Hugh ...	...	...	Coolgardie. (W.A.)
‡Maloney, William Robert Nuttall ...	...	...	Melbourne. (V.)
Mauger, Hon. Samuel ...	...	...	Melbourne Ports. (V.)
McCay, Hon. James Whiteside ...	...	...	Corinella. (V.)
McColl, Hon. James Hiers ...	...	...	Echuca. (V.)
††McDonald, Hon. Charles ...	...	...	Kennedy. (Q.)
§McEacharn, Hon. Sir Malcolm Donald ...	...	...	Melbourne. (V.)
McLean, Hon. Allan ...	...	...	Gippsland. (V.)
McWilliams, William James ...	...	...	Franklin. (T.)
O'Malley, Hon. King ...	...	...	Darwin (T)
Page, Hon. James ...	...	...	Maranoa. (Q.)
Phillips, Hon. Pharez ...	...	...	Wimmera. (V.)
Poynton, Hon. Alexander ...	...	...	Grey. (S.A.)
Quick, Hon. Sir John ...	...	...	Bendigo. (V.)

SECOND PARLIAMENT.—FIRST SESSION—*continued.*

Reid, Right Hon. George Houstoun, P.C., K.C.	...	East Sydney. (N.S.W.)
Robinson, Arthur	...	Wannan. (V.)
Ropald, Hon. James Black	...	Sthrn. Melbourne. (V.)
**Salmon, Hon. Charles Carty	...	Laanecoorie. (V.)
Skene, Hon. Thomas	...	Grampians. (V.)
†Smith, Hon. Bruce, K.C.	...	Parkes. (N.S.W.)
Smith, Hon. Sydney	...	Macquarie. (N.S.W.)
Spence, Hon. William Guthrie	...	Darling. (N.S.W.)
Storrer, David	...	Bass. (T.)
Thomas, Hon. Josiah	...	Barrier. (N.S.W.)
Thomson, David Alexander	...	Capricornia. (Q.)
Thomson, Hon. Dugald	...	North Sydney. (N.S.W.)
Tudor, Hon. Frank Gwynne	...	Yarra. (V.)
Turner, Right Hon. Sir George, P.C., K.C.M.G.	...	Balaclava. (V.)
Watkins, Hon. David	...	Newcastle. (N.S.W.)
Watson, Hon. John Christian	...	Bland. (N.S.W.)
Webster, William	...	Gwydir. (N.S.W.)
Wilkinson, Hon. James	...	Moreton. (Q.)
††Wilks, Hon. William Henry	...	Dalley. (N.S.W.)
Willis, Hon. Henry	...	Robertson. (N.S.W.)
Wilson, John Grattan	...	Corangamite. (V.)

• Not sworn; decease reported 2nd March.

† Sworn 3rd March.

‡ Sworn 9th March.

§ Election declared void 10th March.

¶ Sworn 16th March.

¶¶ Sworn 17th March.

•• Elected Chairman of Committees, 17th March.

†† Appointed Temporary Chairman of Committees, 17th March.

‡‡ Sworn 13th April.

§§ Election declared void 13th April.

¶¶¶ Sworn 31st May.

OFFICERS.

Senate.—E. G. Blackmore, C.M.G., Clerk of the Parliaments; C. B. Boydell, Clerk Assistant; G. E. Upward, Usher of the Black Rod.

House of Representatives.—C. G. Duffy, C.M.G., Clerk; W. A. Gale, Clerk Assistant; T. Woollard, Serjeant-at-Arms.

Reporting Staff.—B. H. Friend, Principal Parliamentary Reporter; D. F. Lumsden, Second Reporter.

Library.—A. Walsworth, Parliamentary Librarian.

COMMITTEES OF THE SESSION.

SENATE.

STANDING ORDERS COMMITTEE.—The President, the Chairman of Committees, Senators Lt.-Col. Gould, Sir W. A. Zeal, Dobson, Higgs, Playford, Pearce, Trenwith, Best.

LIBRARY COMMITTEE.—The President, Senators Matheson, Keating, Millen, Stewart, Sir J. H. Symon, Styles.

PRINTING COMMITTEE.—Senators Pulsford, Macfarlane, Henderson, Dawson, Findley, Smith, Guthrie.

HOUSE COMMITTEE.—The President, Senators Lt.-Col. Neild, Playford, de Largie, Fraser, O'Keefe, Turley.

COMMITTEE OF DISPUTED RETURNS.—Senators de Largie, Dobson, Macfarlane, Sir J. H. Symon, Walker, Lt.-Col. Neild, Styles.

COMMITTEE OF PRIVILEGE (CASE OF SENATOR LT.-COL. NEILD).—Senators Gray, Macfarlane, Pearce, Playford, Styles, Best, Higgs.

TOBACCO MANUFACTURE.—OLD-AGE PENSIONS.—Senators Findley, Gray, Keating, Playford, Stewart, Styles, Pearce.

CASE OF MAJOR CARROLL.—Senators de Largie, Staniforth Smith, Stewart, O'Keefe, Findley, Styles, Higgs.

HOUSE OF REPRESENTATIVES.

STANDING ORDERS COMMITTEE.—Mr. Speaker, the Prime Minister, the Chairman of Committees, Mr. Kingston, Mr. McCay, Mr. McDonald, Mr. McLean, Mr. Deakin, Mr. Dugald Thomson.

LIBRARY COMMITTEE.—Mr. Speaker, Sir Langdon Bonython, Mr. Glynn, Mr. Groom, Mr. Isaacs, Mr. Bruce Smith, Mr. Spence, Mr. G. B. Edwards.

HOUSE COMMITTEE.—Mr. Speaker, Mr. Fisher, Mr. Knox, Mr. Page, Mr. Dugald Thomson, Mr. Salmon, Mr. Mauger.

PRINTING COMMITTEE.—Mr. Ewing, Mr. Fowler, Mr. Harper, Mr. Mahon, Mr. Poynton, Sir John Quick, Mr. Watkins.

ELECTORAL ADMINISTRATION.—Mr. Batchelor, Mr. Cameron, Mr. Fowler, Mr. Groom, Mr. Kelly, Mr. Mauger, Mr. McKay, Mr. McDonald, Mr. McLean, Mr. Poynton, Mr. Sydney Smith, Mr. Storrer, Sir William Lyne, Mr. Brown.

OLD-AGE PENSIONS.—Sir Langdon Bonython, Mr. Frazer, Mr. Lee, Mr. O'Malley, Mr. Page, Sir John Quick, Mr. Skene, Mr. Sydney Smith, Mr. Chapman.

ACTS OF THE SESSION.

ACTS INTERPRETATION ACT (No. 1 of 1904)—

An Act for the interpretation of Acts of Parliament, and for further shortening their language. [Initiated in Senate by Senator Drake, 2nd March, 1904. Assented to 14th June, 1904.]

APPROPRIATION ACT (No. 15 of 1904)—

An Act to grant and apply a sum out of the Consolidated Revenue Fund to the service of the year ending 30th June, 1905, and to appropriate the supplies granted for such year, in this session of Parliament. [Initiated in House of Representatives by Mr. Reid, 24th November, 1904. Assented to 15th December, 1904.]

APPROPRIATION (WORKS AND BUILDINGS) ACT (No. 11 of 1904)—

An Act to grant and apply a sum out of the Consolidated Revenue Fund to the service of the year ending 30th June, 1905, for the purposes of additions, new works, buildings, &c. [Initiated in House of Representatives by Mr. Reid, 24th November, 1904. Assented to 25th November, 1904.]

CONCILIATION AND ARBITRATION ACT (No. 13 of 1904)—

An Act relating to conciliation and arbitration for the prevention and settlement of industrial disputes extending beyond the limits of any one State. [Initiated in House of Representatives by Mr. Deakin, 2nd March, 1904. Assented to 15th December, 1904.]

DEFENCE ACT 1904 (No. 12 of 1904)—

An Act to amend the Defence Act 1903. [Initiated in House of Representatives by Mr. McCay, 10th November, 1904. Assented to 9th December, 1904.]

FURTHER SUPPLEMENTARY APPROPRIATION ACT 1902-3 (No. 6 of 1904)—

An Act to appropriate a further sum for the service of the year ended the 30th June, 1903. [Initiated in House of Representatives by Mr. Watson, 27th July, 1904. Assented to 28th July, 1904.]

SEA CARRIAGE OF GOODS ACT (No. 14 of 1904)—

An Act relating to the Sea Carriage of Goods. [Initiated in Senate by Sir Josiah Symon, 17th November, 1904. Assented to 15th December, 1904.]

SEAT OF GOVERNMENT ACT (No. 7 of 1904)—

An Act to determine the Seat of Government of the Commonwealth. [Initiated in the Senate by Senator Playford, 19th May, 1904. Assented to 15th August, 1904.]

SUPPLEMENTARY APPROPRIATION ACT 1903-4 (No. 2 of 1904)—

An Act to grant and apply out of the Consolidated Revenue Fund a further sum to the service of the year ending 30th June, 1904. [Initiated in House of Representatives by Mr. Watson, 8th June, 1904. Assented to 14th June, 1904.]

SUPPLEMENTARY APPROPRIATION (WORKS AND BUILDINGS) ACT 1903-4 (No. 3 of 1904)—

An Act to grant and apply out of the Consolidated Revenue Fund a further sum to the service of the year ending 30th June, 1904, for purposes of additions, new works, and buildings. [Initiated in House of Representatives by Mr. Watson, 8th June, 1904. Assented to 14th June, 1904.]

SUPPLY ACT (No. 1) (No. 4 of 1904)—

An Act to grant and apply out of the Consolidated Revenue Fund a sum for the service of the year ending 30th June, 1905. [Initiated in House of Representatives by Mr. Watson, 30th June, 1904. Assented to 2nd July, 1904.]

SUPPLY ACT (No. 2) (No. 5 of 1904)—

An Act to grant and apply out of the Consolidated Revenue Fund a sum for the service of the year ending 30th June, 1905. [Initiated in House of Representatives by Mr. Watson, 27th July, 1904. Assented to 28th July, 1904.]

SUPPLY ACT (No. 3) (No. 8 of 1904)—

An Act to grant and apply out of the Consolidated Revenue Fund a sum for the service of the year ending 30th June, 1905. [Initiated in House of Representatives by Sir George Turner, 18th August, 1904. Assented to 25th August, 1904.]

SUPPLY ACT (No. 4) (No. 9 of 1904)—

An Act to grant and apply out of the Consolidated Revenue Fund a sum for the service of the year ending 30th June, 1905. [Initiated in House of Representatives by Sir George Turner, 27th September, 1904. Assented to 29th September, 1904.]

SUPPLY ACT (No. 5) (No. 10 of 1904)—

An Act to grant and apply out of the Consolidated Revenue Fund a sum for the service of the year ending 30th June, 1905. [Initiated in House of Representatives by Sir George Turner, 25th October, 1904. Assented to 28th October, 1904.]

BILLS OF THE SESSION.

EVIDENCE BILL—

[Initiated in Senate by Senator McGregor, 11th August, 1904; lapsed at prorogation.]

FRAUDULENT MARKS ON MERCHANDISE BILL—

[Initiated in Senate by Senator Playford, 14th April, 1904; Order of the Day discharged, 27th April, 1904.]

FRAUDULENT TRADE MARKS BILL—

[Initiated in Senate by Senator McGregor, 14th July, 1904; lapsed at prorogation.]

HIGH COMMISSIONER BILL—

[Initiated in House of Representatives by Mr. Deakin, 14th April, 1904; lapsed at prorogation.]

KALGOORLIE TO PORT AUGUSTA RAILWAY SURVEY BILL—

[Initiated in House of Representatives by Mr. Dugald Thomson, 14th September, 1904; lapsed at prorogation.]

LIFE ASSURANCE COMPANIES BILL—

[Initiated in House of Representatives by Mr. Groom, 2nd November, 1904; lapsed at prorogation.]

MANUFACTURES ENCOURAGEMENT BILL—

[Initiated in House of Representatives by Sir William Lyne, 22nd March, 1904; lapsed at prorogation.]

NAVIGATION AND SHIPPING BILL —

[Initiated in Senate by Senator Drake, 17th March, 1904; lapsed at prorogation.]

PAPUA (BRITISH NEW GUINEA) BILL—

[Initiated in House of Representatives by Mr. Hughes, 13th July, 1904; lapsed at prorogation.]

PARLIAMENTARY EVIDENCE BILL—

[Initiated in Senate by Senator Neild, 8th June, 1904; lapsed at prorogation.]

TRADE MARKS BILL—

[Initiated in Senate by Senator McGregor, 14th July, 1904; lapsed at prorogation.]

PARLIAMENT CONVENED.

SECOND PARLIAMENT—FIRST SESSION.

(*Gazette No. 14, 1904.*)

Parliament was convened by the following Proclamation :—

PROCLAMATION

AUSTRALIA TO WIT.

(Sgd.) NORTHCOTE,

Governor-General.

(L.S.)

By His Excellency the Right Honorable HENRY STAFFORD, BARON NORTHCOTE, Knight, Grand Commander of the Most Eminent Order of the Indian Empire, Companion of the Most Honorable Order of the Bath, Governor-General and Commander-in-Chief of the Commonwealth of Australia.

WHEREAS by the Commonwealth of Australia Constitution Act it is amongst other things enacted that the Governor-General may appoint such times for holding the Sessions of the Parliament as he thinks fit, and also by Proclamation or otherwise may dissolve the House of Representatives: And whereas on the twenty-third day of November, One thousand nine hundred and three, the House of Representatives was dissolved, and the Honorable the Senators were discharged from attendance as from the twenty-fourth day of November of that year: Now therefore I, HENRY STAFFORD, BARON NORTHCOTE, the Governor-General aforesaid, in exercise of the power conferred by the said Act, do by this my Proclamation appoint Wednesday, the second day of March proximo, as the day for the said Parliament to assemble and be holden for the despatch of divers urgent and important affairs. And all Senators and Members of the House of Representatives are hereby required to give their attendance accordingly, in the Building known as the Houses of Parliament, situate in Spring-street, in the City of Melbourne, at the hour of 2.30 o'clock, on the said Wednesday, the second day of March, One thousand nine hundred and four.

Given under my Hand and the Seal of the Commonwealth of Australia aforesaid, this eighteenth day of February, in the year of our Lord One thousand nine hundred and four, in the fourth year of His Majesty's reign

By His Excellency's Command,

(Sgd.)

ALFRED DEAKIN

GOD SAVE THE KING!

COMMONWEALTH OF AUSTRALIA.

PARLIAMENTARY DEBATES.

First Session of the Second Parliament.

OPENING OF PARLIAMENT.

THE First Parliament was dissolved on the 23rd November, 1903. The Second Parliament was convened for the despatch of business on the 2nd March, 1904, and the First Session commenced on that day.

Senate.

Wednesday, 2 March, 1904.

OPENING OF PARLIAMENT.

The Senate met at 2.30 p.m. pursuant to the proclamation of His Excellency the Governor-General.

The CLERK read the proclamation.

The Commissioner appointed by His Excellency the Governor-General—the Right Hon. Sir Samuel Walker Griffith, P.C., G.C.M.G., Chief Justice of the High Court of Australia—having been introduced by the Usher of the Black Rod, directed the Usher to request the attendance of the members of the House of Representatives to hear the Commission read.

The members of the House of Representatives being come,

Commission read by the Clerk.

The COMMISSIONER said—

GENTLEMEN OF THE SENATE :

GENTLEMEN OF THE HOUSE OF REPRESENTATIVES :

I have it in command from the Governor-General to let you know that, as soon as the members of the Senate recently elected and the members of the House of Representatives shall be sworn, the causes of His Excellency's calling this Parliament will be declared to you by him in person

in this place; and it being necessary that a President of the Senate and a Speaker of the House of Representatives should be first chosen, you, Gentlemen of the Senate, will proceed to choose some proper person to be your President; and you, Gentlemen of the House of Representatives, will repair to the place where you are to sit, and there proceed to the choice of some proper person to be your Speaker; and that thereafter you respectively present such persons whom you shall so choose to His Excellency, at such time and place as he shall appoint. I will attend shortly in the House of Representatives for the purpose of taking the oaths and affirmations of honorable members of that House.

The members of the House of Representatives having withdrawn,

SENATORS SWORN.

The CLERK laid on the Table returns to the writs issued for the election of members to the Senate.

The following honorable senators made and subscribed the oath of allegiance:—

Best, the Hon. Robert Wallace (Victoria).

Croft, John William (Western Australia).

De Largie, Hugh (Western Australia).

Dobson, the Hon. Henry (Tasmania).

Findley, Edward (Victoria).

Givens, Thomas (Queensland).

Gray, John Procter (New South Wales).

Guthrie, Robert Storrie (South Australia).

Henderson, George (Western Australia).

Macfarlane, James (Tasmania).
 McGregor, Gregor (South Australia).
 Mulcahy, the Hon. Edward (Tasmania).
 Neild, Lt.-Col. John Cash (New South Wales).
 Pulsford, Edward (New South Wales).
 Story, William Harrison (South Australia).
 Styles, James (Victoria).
 Trenwith, the Hon. William Arthur (Victoria).
 Turley, Henry.
 The COMMISSIONER then withdrew.

ELECTION OF PRESIDENT.

Senator PLAYFORD (South Australia—Vice-President of the Executive Council).—I have to remind honorable senators that the time for the nomination of a President of the Senate has now arrived. The Clerk will receive nominations.

Motion (by Senator Sir JOSIAH SYMON) proposed—

That Senator Lt.-Col. Gould do take the Chair of this Senate as President.

Senator MILLEN (New South Wales).—I second the nomination.

Senator WALKER (New South Wales). It affords me pleasure once more to propose—

That Senator Sir R. C. Baker do take the Chair of this Senate as President.

It is nearly three years since I had the pleasure of making a similar motion.

Senator Sir JOSIAH SYMON.—No speeches!

Senator WALKER.—Why not?

Senator CLEMONS.—Because it would not be decorous.

Senator WALKER.—At that time I was allowed to say a few words, and I do not see why I should not do so now. It is uncommon for the House of Commons to refuse to re-elect a Speaker so long as he remains a member, unless there is very good reason for making a change. I do not hesitate to say that in my opinion there is no good reason why the late President should not be re-elected. When we elected him to the office on a previous occasion, he had come into the Senate as a gentleman who had had great experience as President of the Legislative Council of South Australia. Many of us also had the privilege of knowing him as Chairman of the Federal Convention which sat in the years 1897 and 1898, and a better Chairman of Committees I do not believe there has been in the whole

world. For these reasons I have pleasure in once more proposing Senator Sir Richard Chaffey Baker as President.

Senator MCGREGOR (South Australia).—For very similar reasons I have much pleasure in seconding the proposition of Senator Walker.

A ballot having been taken,

The Clerk announced that Senator Sir R. C. Baker had received 25 votes and Senator Lt.-Col. Gould 9 votes.

Senator Sir RICHARD BAKER (South Australia).—I am deeply grateful to honorable senators for the great honour which they propose to confer upon me; but at the same time I feel the difficulties and responsibilities of the position. I shall, however, endeavour to overcome those difficulties and to fulfil those responsibilities to the best of my ability: I submit myself to the Senate.

Then the PRESIDENT ELECT, being taken out of his place by Senator Walker and Senator McGregor, and conducted to the chair, standing on the upper step, said:—Before taking the chair, I again desire to express my gratitude to honorable senators, and my earnest hope that the business of this session of Parliament will be carried out in such a way, and the conduct of members will be such, as will redound to the credit of the Senate of Australia. The difficulties of the dual position which I am called upon to fill are very great, and I ask that allowances may be made for me. In the first place, I have to perform the ordinary duties of a President or a Speaker, and in the second place, under our Constitution, I have to give not a casting vote, but a deliberative vote when, as it sometimes happens, party feeling runs high. The difficulty of reconciling these dual positions is very great, and I hope that I shall have the co-operation of honorable senators in performing my duties. I earnestly trust that in the discharge of the arduous task imposed upon me honorable senators will help me to see that the proceedings of the Senate are conducted in so decorous and so dignified a manner that the people not only of Australia but of other parts of the world will be able to say that the Senate of Australia sets an example to other deliberative bodies.

Senator PLAYFORD (South Australia—Vice-President of the Executive Council).—I beg to congratulate you, sir, on being elected for the second time to the office of President of the Senate. I feel quite certain that honorable senators

will support you in your endeavour to preserve order and decorum, and that their record for the next three years will be equally favourably spoken of as their record for the last three years. I beg to inform you, sir, that His Excellency the Governor-General will be pleased to receive you at 20 minutes past 4 o'clock this afternoon in the Library of the Parliament.

Senator Lt.-Col. GOULD (New South Wales).—Before your presentation to His Excellency, sir, I wish to offer you my congratulations on your re-election to the Chair. I can assure you that although I have been defeated I have no feeling in the matter, and I trust that our personal friendship will remain as it ever has been. One of my very best friends in the Senate considered it his duty to nominate you for the re-election, and there will be no bitterness between him and me, as I hope there will be none between you and me. I shall be very happy at all times, sir, to assist you in your efforts to insure the orderly and decorous transaction of business in the Senate.

The PRESIDENT.—I again return my thanks to the mover and seconder of my nomination, and to honorable senators generally. I cordially reciprocate the remarks which have been made by Senator Gould, who is a strong personal friend of mine, and will, I hope, ever be so. So far as I am concerned no bitterness can possibly come between us, and I hope that we shall long continue to be good friends. As I understand that His Excellency the Governor-General will receive the President and such members of the Senate as choose to accompany him, in the Library at 20 minutes past 4 o'clock, the sitting will be suspended until that hour.

Sitting suspended accordingly.

The Senate having re-assembled,

PRESENTATION OF THE PRESIDENT TO THE GOVERNOR-GENERAL.

The Senate at 4.30 p.m. proceeded to the Library of Parliament, there to present the President to His Excellency the Governor-General.

The Senate having re-assembled,

The PRESIDENT.—I have to report that, accompanied by several honorable senators, I presented myself to the Governor-General as the President of this Senate, and that His Excellency was pleased to express his satisfaction at the choice.

GOVERNOR-GENERAL'S SPEECH.

HIS EXCELLENCY THE GOVERNOR-GENERAL entered the chamber and took the chair. A message was forwarded to the House of Representatives intimating that His Excellency desired the attendance of honorable members in the Senate chamber, who, being come with their Speaker,

HIS EXCELLENCY was pleased to deliver the following speech:—

"GENTLEMEN OF THE SENATE AND GENTLEMEN OF THE HOUSE OF REPRESENTATIVES:

1. It affords me extreme gratification, on this my first meeting with the Parliament of the Commonwealth, to congratulate you upon the passing of the severe drought which has occasioned grievous losses to all classes of the community.

2. You will have learned, with regret, that a state of war has arisen between the Empire of Russia and the Empire of Japan. The neutrality of Great Britain has been proclaimed, and will, it is hoped, be maintained.

3. My advisers have had under consideration the provisions of the Constitution for taking over the public debts of the States and the compensation to be made for transferred properties. A discussion by a Conference of State Treasurers, under the presidency of the Treasurer of the Commonwealth, has produced a much better understanding of the difficulties surrounding these subjects, and a further meeting is proposed, when it is hoped that some mutually satisfactory arrangement will be attained.

4. The re-adjustment of Federal and State finances contemplated in such an arrangement will, it is hoped, present an opportunity for the adoption of a uniform system of old-age pensions throughout the Commonwealth.

5. The reaping of bountiful harvests over the greater part of the Commonwealth revives the problem of insuring to the agriculturist a return which will repay his labours, and encourage increased efforts. The preferential trade proposals now engaging the attention of the people of Great Britain will, if approved, secure to us an immense and reliable market. My advisers are pleased to note the cordiality with which these are generally regarded in this country, and are confident that the feeling will be

strengthened when the statesman who is their author is able to visit us.

6. With a view to giving assistance wherever possible to those engaged in the cultivation of the soil, and as a preliminary to the establishment of an agricultural bureau, you will be invited to consider the best means of assisting the farmer, by bounties and otherwise, to grow new crops and find new markets. Speedier and cheaper transportation to the large centres of population of meat, butter, and fruit, under improved conditions, is much to be desired.

7. In view of the vast undeveloped resources of this continent, and the small increase in our numbers from oversea, my advisers consider it a matter of urgency to attract the population needed to enable the Commonwealth to maintain her great and responsible position in these seas. The State Governments, as represented at the Treasurers' Conference, have been addressed upon this subject, in the hope that united and effective means may be devised for securing desirable European immigrants.

8. The interests of the Commonwealth in London have hitherto been temporarily in the charge of the Agents-General of the States. You will be invited to make provision for the appointment of a High Commissioner, whose supervision of all matters of Australian concern will include the duty of directing public attention to the resources of the States, and their advantages as fields for settlement.

9. You will be asked to deal with the Bill, introduced last session and partly discussed, having for its object the establishment of Courts of Conciliation and Arbitration for the settlement of disputes extending beyond the limits of any one State.

10. A Bill relating to navigation and shipping will be submitted to you specially providing for the regulation of our coasting trade.

11. The Royal Commission appointed to consider the advisability of encouraging the establishment of iron and steel works has furnished its report, which will be laid before you, and you will be invited to give it effect.

12. No acceptable tender for the carriage of mails and perishable produce upon vessels manned with white seamen having been received, the whole question of subsidies for these purposes, and of the postal and other services rendered, is now under review.

GENTLEMEN OF THE HOUSE OF REPRESENTATIVES :

13. The revenue derived from Customs and Excise has been equal to anticipations. As the incidence of duties under the Tariff contemplates the substitution of Australian for imported goods, no considerable expansion of such receipts, under normal conditions, is to be expected.

14. The estimates of expenditure will be framed with economy, having due regard to the magnitude and importance of the interests under your control.

GENTLEMEN OF THE SENATE AND GENTLEMEN OF THE HOUSE OF REPRESENTATIVES :

15. My advisers readily associated themselves with the Government of New Zealand in communicating a friendly warning, based upon Australian experience, to the Transvaal Government, on the subject of a proposed ordinance authorizing the introduction of Chinese to work in the mines of that colony. This, together with the reply, will be laid before you.

16. The selection of a site for the Federal capital was considerably advanced by the discussion and votes of the last Parliament. A contour survey has been ordered, and is in progress in the Tumut and Bombala districts. An early and final settlement of this question is very necessary.

17. The Defence Act has been proclaimed, and regulations under it approved. The forces of the Commonwealth are now subject to but one Act, and one code of regulations, insuring their effective organization.

18. The operation of the Sugar Bounty Act has fostered the employment of white labour, so that the number of growers taking advantage of it is steadily increasing.

19. A conference of representatives of the Governments interested in the Pacific cable will shortly be held in London for the purpose of considering its financial management, and the provisional agreement entered into between the Government of the Commonwealth and the Eastern Extension Telegraphic Company.

20. The removal of vexatious restrictions upon commercial intercourse between the States of the Commonwealth has received attention. It is hoped that inter-States certificates upon the transfer of goods between New South Wales and Victoria will soon be dispensed with, or at least greatly modified.

21. The consent of the Parliament of Western Australia has been given, and that of the Government of South Australia sought, for the construction of a railway to connect Western Australia with the eastern States, and you will be asked to make provision by Bill for a survey of the line.

22. A Bill will be submitted creating an Inter-State Commission to carry out the provisions of the Constitution relating to trade and commerce.

23. It is intended to introduce a short Bill enabling the Executive of the Commonwealth to assume direct control of the administration of New Guinea. A comprehensive measure will be framed, when inquiries, now being locally made, are completed.

24. The improved steamship service to the New Hebrides and the Gilbert and Ellice groups of islands has resulted in some increase of settlement by British subjects, but, in order to keep pace with trade developments in the Western Pacific, a considerable addition to present means of communication is required, and an adequate scheme will be laid before you.

25. It is intended to examine the experience gained in the recent elections with a view to an amendment of the Electoral Act.

26. Bills to regulate copyright; relating to trade marks and to merchandise marks—all three complementary to the Patents Act passed last year; and Bills dealing with rings and trusts, with the Federal control of quarantine, and of light-houses, beacons, and buoys, will be placed before you.

27. Under Divine guidance, I trust that the discharge of your high and honorable duties may promote the welfare of the people of Australia.

HIS EXCELLENCY THE GOVERNOR-GENERAL having retired,

The PRESIDENT took the chair at 4.57 p.m. and read prayers.

PAPERS.

The PRESIDENT laid upon the table the following paper:—

Treasurer's statement of Receipts and Expenditure for 1902-3, with report of Auditor-General.

Senator PLAYFORD laid upon the table the following papers:—

Return showing results of Commonwealth General Election of 16th December, 1903.

Regulations and Orders for the Military and Naval Forces of the Commonwealth.

Financial and Allowance Regulations of the Military and Naval Forces of the Commonwealth.

Regulations under Excise Act of 1901.

Provisional Regulations under Patents Act 1903.

Report of Royal Commission on Bonuses for Manufactures Bill, together with proceedings, minutes of evidence, and appendices.

Transfers approved by the Governor-General in Council under the Audit Act, Financial Year 1902-3.

Transfers approved by Governor-General in Council under Audit Act and Appropriation Act 1903-4.

Repeal of certain Regulations under the Public Service Act and Substituted Regulations.

ACTS INTERPRETATION BILL.

Bill presented by Senator DRAKE and read a first time.

GOVERNOR-GENERAL'S SPEECH.

The PRESIDENT.—I have to report to the Senate, in pursuance of Standing Order No. 10, the Speech of His Excellency the Governor-General which has just been read in this chamber.

Motion (by Senator PLAYFORD) agreed to—

That the consideration of the speech of His Excellency the Governor-General be an Order of the Day for to-morrow.

ADJOURNMENT.

Motion (by Senator PLAYFORD) agreed to—

That the Senate, at its rising, adjourn until to-morrow at 2.30 p.m.

Senate adjourned at 5.7 p.m.

House of Representatives.

Wednesday, 2 March, 1904.

PROCLAMATION.

The House met at 2.30 p.m. pursuant to the proclamation of His Excellency the Governor-General.

The CLERK read the proclamation.

RETURNS TO WRITS.

The CLERK announced that he had received returns to the writs issued for the election of members of the House of Representatives.

OPENING OF PARLIAMENT.

MEMBERS SWORN.

The USHER OF THE BLACK ROD being announced, was admitted, and delivered the message, that the Commissioner appointed

by His Excellency the Governor-General requested the immediate attendance of honorable members in the Senate chamber.

Honorable members attended accordingly, and having returned:

The CLERK informed the House that His Excellency the Governor-General had been pleased to issue a Commission, under the Great Seal of the Commonwealth, authorizing the Right Hon. Sir Samuel Walker Griffith, P.C., G.C.M.G., Chief Justice of the High Court of Australia, to administer the oath or affirmation of allegiance to the King required by law to be taken or made by members of the House of Representatives.

The COMMISSIONER having entered the chamber,

The CLERK read the Commission.

The following honorable members made and subscribed the oath of allegiance:—

Bamford, Frederick William (Herbert, Queensland).

Batchelor, Egerton Lee (Boothby, South Australia).

Blackwood, Robert Officer (Riverina, New South Wales).

Bonython, Sir John Langdon (Barker, South Australia).

Brown, Thomas (Canobolas, New South Wales).

Carpenter, William Henry (Fremantle, Western Australia).

Chapman, Hon. Austin (Eden-Monaro, New South Wales).

Conroy, Alfred Hugh (Werriwa, New South Wales).

Cook, James Newton Haxton Hume (Bourke, Victoria).

Cook, Joseph (Parramatta, New South Wales).

Crouch, Richard Armstrong (Corio, Victoria).

Culpin, Millice (Brisbane, Queensland).

Deakin, Hon. Alfred (Ballarat, Victoria).

Edwards, George Bertrand (South Sydney, New South Wales).

Edwards, Richard (Oxley, Queensland).

Ewing, Thomas Thomson (Richmond, New South Wales).

Fisher, Andrew (Wide Bay, Queensland).

Forrest, Rt. Hon. Sir John, P.C., G.C.M.G. (Swan, Western Australia).

Fowler, James MacKinnon (Perth, Western Australia).

Frazer, Charles Edward (Kalgoorlie, Western Australia).

Fuller, George Warburton (Illawarra, New South Wales).

Fysh, Hon. Sir Philip Oakley, K.C.M.G. (Denison, Tasmania).

Gibb, James (Flinders, Victoria).

Glynn, Patrick McMahon (Angas, South Australia).

Groom, Littleton Ernest (Darling Downs, Queensland).

Harper, Robert (Mernda, Victoria).

Higgins, Henry Bournes, K.C. (Northern Melbourne, Victoria).

Holder, Hon. Sir Frederick William, K.C.M.G. (Wakefield, South Australia).

Hutchison, James (Hindmarsh, South Australia).

Isaacs, Hon. Isaac Alfred, K.C. (Indi, Victoria).

Johnson, William Elliot (Lang, New South Wales).

Kelly, William Henry (Wentworth, New South Wales).

Kennedy, Thomas (Moira, Victoria).

Kingston, Rt. Hon. Charles Cameron, P.C., K.C. (Adelaide, South Australia).

Knox, William (Kooyong, Victoria).

Lee, Henry William (Cowper, New South Wales).

Liddell, Frank (Hunter, New South Wales).

Lyne, Hon. Sir William John, K.C.M.G. (Hume, New South Wales).

Mahon, Hugh (Coolgardie, Western Australia).

Mauger, Samuel (Melbourne Ports, Victoria).

McCay, Hon. James Whiteside (Corinella, Victoria).

McCull, Hon. James Hiers (Echuca, Victoria).

McDonald, Charles (Kennedy, Queensland).

McEacharn, Sir Malcolm Donald (Melbourne, Victoria).

McLean, Hon. Allan (Gippsland, Victoria).

McWilliams, William James (Franklin, Tasmania).

O'Malley, King (Darwin, Tasmania).

Page, James (Maranoa, Queensland).

Phillips, Pharez Hon. (Wimmera, Victoria).

Poynton, Alexander (Grey, South Australia).

Quick, Sir John (Bendigo, Victoria).

Reid, Rt. Hon. George Houston, P.C., K.C. (East Sydney, New South Wales).

Robinson, Arthur (Wannon, Victoria).

Ronald, James Black (Southern Melbourne, Victoria).

Salmon, Hon. Charles Carty (Laanecoorie, Victoria).

Skene, Thomas (Grampians, Victoria).
Smith, Hon. Sydney (Macquarie, New South Wales).

Spence, William Guthrie (Darling, New South Wales).

Storrer, David (Bass, Tasmania).

Thomas, Josiah (Barrier, New South Wales).

Thomson, David Alexander (Capricornia, Queensland).

Thomson, Dugald (North Sydney, New South Wales).

Tudor, Frank Gwynne (Yarra, Victoria).

Turner, Rt. Hon. Sir George, P.C., K.C.M.G. (Balaclava, Victoria).

Watkins, David (Newcastle, New South Wales).

Watson, John Christian (Bland, New South Wales).

Webster, William (Gwydir, New South Wales).

Wilkinson, James (Moreton, Queensland).

Wilks, William Henry (Dalley, New South Wales).

Willis, Henry (Robertson, New South Wales).

Wilson, John Gratton (Corangamite, Victoria).

The COMMISSIONER then withdrew.

ELECTION OF SPEAKER.

Mr. DEAKIN (Ballarat—Minister for External Affairs).—I move—

That the Hon. Sir Frederick William Holder, K.C.M.G., do take the chair of the House as Speaker.

The precedent of other Parliaments, already followed by this House, is that the nomination of the Speaker shall be made and supported by members not holding office; but as I understand that there is no likelihood of opposition being offered to the election of the honorable gentleman who has hitherto filled that high position, it seems to me fitting that our choice should be expressed in a manner somewhat more formal than has been customary. In this honorable members with whom I have consulted have agreed. In submitting the motion I need not add a single word in its support addressed to those who were members of the late Parliament. To those who have to-day, for the first time, entered this House, I may say that absolute equity, as well as marked and masterly ability, has been displayed by Sir Frederick Holder in the discharge of the duties of Speaker. I have, therefore, the greatest pleasure in submitting the motion.

Mr. REID (East Sydney).—I have great pleasure in seconding the motion. I am gratified to be able to say that the Speaker in the first Federal Parliament was successful in earning the entire confidence and approval of honorable members belonging to all political parties. I may, perhaps, be permitted to add that in the midst of the congratulations which I shall presently offer to the Speaker on his re-election there will be a certain tinge of regret, because I feel that the distinguished capacity for public affairs of the honorable member who is the subject of the present motion, is such that his removal from the arena of active politics will be a great loss to the people of Australia. Whilst, however, I feel that sensation of regret in the midst of our unanimity of praise and congratulation, I wish also to say that honorable members on this side of the House view, with great pleasure and satisfaction, the confidence which the second Federal Parliament is now showing in the Speaker of the first Federal Parliament.

Mr. WATSON (Bland).—On behalf of the members of the Labour Party I have great pleasure in supporting the motion. I have not had that experience of Parliamentary affairs which has fallen to the share of the mover and the seconder of the motion, but I have been sufficiently long in Parliament to be able to appreciate the advantage both to the public and to the Parliament of having as a Speaker a man of conspicuous fairness and ability such as Sir Frederick Holder, and I trust that he may long be available to exercise those powers which he so ably devoted to the discharge of the duties of his high office in the past Parliament.

Mr. MAHON (Coolgardie).—I do not rise with the object of striking any discordant note at this stage; but I think that the House ought to be made aware of what I believe to be a constitutional impediment to the occupancy by Sir Frederick Holder, not merely of the office of Speaker, but of the position of a member of this House. It is with considerable regret that I direct attention to this matter, because no one recognises more fully than I do the impartiality and ability displayed by Sir Frederick Holder. But it is quite clear from the facts which I shall have the honour to submit that the honourable member has contravened a section of the Constitution. On the 23rd November, 1903, the last House of Representatives was dissolved, and Sir Frederick Holder then

ceased to be a member; and, having ceased to be a member, he ceased to be Speaker. On the 3rd December Sir Frederick Holder was re-elected as a member of this Parliament. During the interval between the dates mentioned Sir Frederick Holder drew the usual allowance made to the Speaker of the House of Representatives, although at the time he was neither Speaker nor a member of this House. I do not wish to delay the House, and therefore do not propose to do more than make a brief statement with the object of recalling to the minds of honorable members the terms of section 45 of the Constitution, which reads as follows:—

If a Senator or a member of the House of Representatives . . . directly or indirectly takes or agrees to take any fee or honorarium for services rendered to the Commonwealth . . . his place shall thereupon become vacant.

To my mind, three points are worthy of attention. In the first place, we have to ascertain the exact meaning of the words "fee or honorarium," and in the second place to consider what is implied by the phrase "services rendered to the Commonwealth." Webster's *Dictionary* defines a "fee" as a reward for services performed, or to be performed, and "honorarium" as a fee offered to a professional man for his services. I hold the view that by accepting an allowance or fee between the two dates to which I have referred, when he was neither Speaker nor member of Parliament, Sir Frederick Holder has contravened the section of the Constitution from which I have quoted.

Mr. McDONALD.—But how does that section affect the case when Sir Frederick Holder was not a member of this House?

Mr. MAHON.—I have not quite arrived at that point. I wish to direct honorable members' attention to the meaning of the phrase "services rendered to the Commonwealth." I take it that any service rendered to this House is a service to the Commonwealth; and if Sir Frederick Holder, during the interval referred to, performed any official duty at all, he must have rendered a service to the Commonwealth. It could not have been a service to the last House of Representatives, because that House had ceased to exist, and it could not have been a service to this House, because this House had not come into existence. Therefore, I hold that if Sir Frederick Holder performed any service as Speaker, or any service such as is usually performed by a

Speaker, such service must have been rendered to the Commonwealth, and I respectfully submit that in accepting a fee or honorarium for it he has contravened the Constitution.

Mr. WATKINS.—But on the honorable member's own showing, he was not a member of Parliament at the time.

Mr. MAHON.—On the 3rd December, he again became a member of Parliament, and the allowance which he drew covered not only the interval between the 23rd November, but the whole period up to the end of December.

Mr. HARPER.—How could we settle this question without a Chairman?

Mr. MAHON.—I presume that no settlement could be arrived at to-day; but, having made this discovery, I considered it my duty to place it before the House at the earliest possible moment. There is one more question to be considered. Is the vote which was passed by this House in the Appropriation Bill, in the extraordinary form of a note not recognised in the text of the measure, strictly constitutional? I do not wish to argue that point now. But whether or not the House did right in voting the Speaker a certain sum as payment for services rendered, I do hold that Sir Frederick Holder, by receiving the money, has forfeited his seat as a member of this House. To my mind there can be no reasonable doubt upon that point. Any contention that the money was given as a gratuity I shall be prepared to rebut by proof at a later stage, and I apprehend that some ulterior action is desirable, both in the interests of the House and of the honorable member concerned. I do not wish to interfere with the election of the Speaker, but I consider that a matter which many honorable members regard as a constitutional impediment to Sir Frederick Holder's occupancy of the office, and of the position of a member of this House, should receive early attention.

Mr. DEAKIN (Ballarat—Minister for External Affairs).—I think that the honorable member for Coolgardie, holding the opinion he does has taken a proper course. After having listened to him, and having glanced at the Constitution, I would point out that if his argument is good it goes a great deal further than, perhaps, he realizes. That may or may not be an argument in favour of its soundness. If his argument is pushed to the full extent, it might be difficult to find any authority in the Constitution for the payment of any allowance to the Speaker or Chairman.

Mr. MAHON.—I am relying upon section 45.

Mr. DEAKIN.—However, as I say, the honorable member has taken his course, and since he has called attention to the matter it will receive the fullest consideration. At the same time, whatever weight may attach to the case made out by the honorable member, affects not the action now proposed to be taken, but the position of Sir Frederick Holder as a member of this House. That is not a matter with which this House is competent to deal, but must be remitted to the High Court.

Sir FREDERICK HOLDER (Wakefield).—I submit myself to the will of the House.

Members of the House calling Sir Frederick Holder, he was taken out of his place by Mr. Deakin and Mr. Reid, and conducted to the Chair.

Then Mr. SPEAKER-ELECT, standing on the upper step, said—May I say that I feel very deeply the honour which has been conferred upon me in the House once more calling me to occupy this extremely important position. When last I was chosen to fill this Chair very few honorable members knew much of me. Their disposition must have been that of hopefulness. To-day I have been once more chosen, but this time by the will and by the voice of those who have some knowledge of what I have done in the office of Speaker. I feel, therefore, that the action taken to-day is even a greater compliment to me than that of three years ago. I can only hope that, with the aid of individual members, and of all parties in the House, I may be able to raise the tone of debate and the reputation of the Chamber to such a level that they may compare favourably with those of any Parliament in any part of the world. If by our co-operation we can secure the attainment of that result and its maintenance I think we shall have done somewhat for the country we love so well. I need only say, further, that I hope every member, and especially those who are now entering for the first time upon parliamentary life, will ever feel that I am the friend of honorable members. Irrespective of the question which may be under consideration, every honorable member has the right to seek from me such help as may be available in the preparation of questions for the House, in accordance with the rules laid down by and the practice under our Standing Orders, and I shall be pleased at all times to facilitate the work of any

honorable member in that direction. I tender my most hearty thanks to the honorable the Prime Minister, to the right honorable the leader of the Opposition, and to honorable members generally.

Mr. DEAKIN (Ballarat—Minister for External Affairs).—Mr. Speaker, it becomes my privilege to address you for the first time by your official title in this Parliament, and desire to congratulate you upon the splendid unanimity with which you have been called to your position. As you have pointed out, your choice by former members of this House was not based upon knowledge. After three years' experience we all share the conviction that the great rights and privileges of Parliament which are to a large extent intrusted to the Speaker could not be placed in better hands. Whilst felicitating you, I feel that congratulation is really due to the House, which has done honour to itself by the choice which it has made in again placing you in the position of the First Commoner of the Commonwealth.

Mr. REID (East Sydney).—I also heartily congratulate you, Mr. Speaker, upon your re-election to your high and honorable office. If I may be permitted to make one more observation I should like, without any disparagement of Speakers of other Legislative bodies to say that as a rather old Parliamentary hand I have especially admired the way in which you, whilst wisely administering the rules of the House, have exercised greater severity towards old offenders like myself than towards younger members.

Mr. WATSON (Bland).—I need add nothing to what has already been stated, beyond congratulating you, Mr. Speaker, and assuring you of the earnest support of every member of the labour party in any step that may be considered necessary to maintain the dignity of Parliament.

PRESENTATION OF MR. SPEAKER TO THE GOVERNOR-GENERAL.

Mr. SPEAKER, accompanied by honorable members, proceeded to the Library to be presented to His Excellency the Governor-General, and having returned to the Chamber, said:—I have to inform the House that, having waited with a number of honorable members upon His Excellency the Governor-General, I informed him of the fact of my election to the office of Speaker, whereupon His Excellency was kind enough to offer me his congratulations.

GOVERNOR-GENERAL'S SPEECH.

The **USHER OF THE BLACK ROD** being announced was admitted, and delivered the message that His Excellency the Governor-General desired the attendance of honorable members in the Senate Chamber.

Mr. **SPEAKER** and honorable members attended accordingly, and having returned,

CONCILIATION AND ARBITRATION BILL.

Bill presented by Mr. **DEAKIN**, and read a first time.

Motion (by Mr. **DEAKIN**) proposed—

That the second reading of this Bill be made an order of the day for Tuesday next.

Mr. **MCDONALD** (Kennedy).—I desire to know whether the Bill just presented is the Bill with which we are to be asked to deal.

Mr. **DEAKIN**.—Yes.

Mr. **MCDONALD**.—We have the complete Bill here?

Mr. **DEAKIN**.—Yes.

Mr. **MCDONALD**.—I am led to ask this question because at the opening of the last Parliament measures were formally introduced which consisted, in reality, of mere blank sheets of paper, and alterations were subsequently made. No objection was raised at the time, although I did not consider that the course then adopted was correct. I certainly do not desire to see on this occasion a repetition of that procedure.

Mr. **KINGSTON** (Adelaide).—This Bill has been associated with the Navigation Bill, and the two are intended to be intimately connected. I desire, therefore, to know when we shall have an opportunity to examine the Navigation Bill?

Mr. **DEAKIN**.—The Navigation Bill will be introduced, and will be the first measure to be dealt with in another place. The two measures will practically be before Parliament at the same time.

Question resolved in the affirmative.

PAPERS.

MINISTERS laid upon the table the following papers:—

Regulations under the Defence Act 1903.

Regulations under the Excise Act 1901.

Provisional regulations under the Patents Act 1903.

Bonuses for Manufacturers Bill—Report of the Royal Commission, together with the proceedings, minutes of evidence, and appendices.

Treasurers' Conference—States debts, transferred properties, immigration, &c.

The **CLERK** laid upon the table the following papers:—

Audit Act 1901—Schedule of transfers.

General Election, 16th December, 1903—Statistics in regard to.

Public Service Act 1902—Amendment of Regulations.

ELECTION PETITIONS.

The **CLERK** laid upon the table copies of the following petitions received by him from the High Court, under section 202 of the Commonwealth Electoral Act:—

Chanter, J. M. v. Blackwood, R. O. (Riverina).
Maloney, W. v. McEacharn, Sir M. D. (Melbourne).

Hirsch, M. v. Phillips, Hon. P. (Wimmera).

DEATH OF SIR EDWARD BRADDON.

Mr. **DEAKIN** (Ballarat—Minister for External Affairs).—I now rise, by leave, to ask the House to accept a resolution which I am sure will be unanimously, although regretfully, indorsed. I beg to move—

That this House desires to record its profound regret at the loss which the Commonwealth suffers in the death of the Right Honorable Sir Edward Nicholas Coventry Braddon, P.C., K.C.M.G., Member of the House of Representatives, and expresses its sincere condolence with his widow and the members of his family in their bereavement.

That Mr. **SPEAKER** be requested to convey the foregoing resolution to Lady Braddon.

Although as late associates of the right honorable gentleman in this Parliament, we had long been aware that the demands which he made upon his physical strength were in excess of those that could be safely borne, none of us had anticipated that after his recent successful campaign he would have been called from us before we had enjoyed the advantage of his presence in this House. His death removes from us one of the most marked and picturesque figures in the whole field of Australian politics. He came to us with a reputation as an administrator, earned under other skies, and from a high position which he had won solely by his own prowess and capacity. He stepped into the breach in an hour of danger in Hindustan, and it was by the signal force of character which he displayed at the time of its Great Mutiny that he was able to take the first steps in that career which afterwards became illustrious on this side of the world. He rapidly rose to the highest position in the island State in which he made his residence, speedily rising into note not only for his achievements in local legislation, but from the fact that from its very inception he was one of the active leaders of the

Federal movement. As a member of the National Convention which drafted the Constitution under which the Commonwealth came into existence, and subsequently as a member of this House, and one of the leading lieutenants of the Opposition, he played a part signalized throughout by extreme courtesy to all his fellow members, coupled with a parliamentary ability which merited for him the high place he gained in the esteem and respect of the House. We can ill afford to part with men of affairs of such great and varied experience, men of scholarly and literary tastes, who have also made their mark in the field of practical achievement. They could ill be spared from any representative assembly in the world. His was a figure which any assembly must have been proud to possess, one which we shall long remember, and whose loss we all deplore.

Mr. REID (East Sydney).—I think that the Government in taking the course they have followed, and the Prime Minister by the remarks which he has made in submitting this motion, have both pursued a line of conduct which commends itself to the feelings of the House. I desire to add but a few words to the graceful references which the honorable gentleman has made. It can be well understood, Mr. Speaker, that we deeply feel the loss which we on this side of the House have sustained, in common, as the Prime Minister has justly said, with the House generally, and the whole of the people of Australia. A more loyal friend and ally—and I think I shall command the concurrence of all honorable members opposite, when I say a more honorable opponent—than the late right honorable member never lived.

HONORABLE MEMBERS.—Hear, Hear.

Mr. REID.—I believe that his history will fill a conspicuous place in the annals not only of the Commonwealth, but of the Empire. His was a singularly attractive and signally useful career. I am sure that we all feel reluctant to invade the sacred sorrow which must fill that home, in which he was loved so well, by the side of the Tasman Sea; and yet we consider that it is our duty to place upon the records of the House an enduring monument to the worth of the departed statesman, and a record of our unfeigned sympathy with his widow and children.

Mr. WATSON (Bland).—I am sure that all members of the House will join in the expressions of regret to which utterance has just

been given by the Prime Minister and the leader of the Opposition. I do not suppose there is one honorable member, no matter to what party he may belong, who does not deeply deplore the removal from our midst of a gentleman so distinguished in politics, and, in other respects, in the Empire's history, as was the late Sir Edward Braddon. I am sure that we all feel a desire that we may have many more men in the history of the British Empire who, in many different capacities, will help as the late right honorable member has done, to advance the name of Englishmen among the nations of the world. I join with those who have just spoken in expressing the deepest possible regret at his departure from amongst us.

Question resolved in the affirmative.

GOVERNOR-GENERAL'S SPEECH: ADDRESS IN REPLY.

Mr. SPEAKER.—I have to report to the House that I have attended in the Senate chamber, where His Excellency the Governor-General was pleased to make a speech setting out the reasons why this Parliament has been summoned. As copies of His Excellency's speech will be handed to honorable members presently, I will assume that it is their desire that it be taken as read.

HONORABLE MEMBERS.—Hear, hear.

Motion (by Mr. DEAKIN) agreed to—

That a committee consisting of Sir Langdon Bonython, Mr. Mauger, Sir Malcolm McEacharn, and Mr. Storrer, be appointed to prepare an Address in Reply to the speech delivered by His Excellency the Governor-General to both Houses of Parliament.

The committee retired, and having re-entered the chamber, presented the proposed address.

ORDER OF BUSINESS.

Motion (by Mr. DEAKIN) proposed—

That on Friday in each week, unless otherwise ordered, general business shall be called on in the following order, viz. :—

On one Friday—

Notices of motion.

Orders of the day.

On the alternate Friday—

Orders of the day.

Notices of motion.

Mr. O'MALLEY (Darwin).—I object to this motion, because it is well known that on Fridays many members leave Melbourne, so that any one who has private business on the notice-paper has no opportunity to get it discussed. I think that, as in the Senate,

Wednesday afternoons should be set apart for the discussion of private members' business.

Mr. CONROY.—Will the motion, if passed, compel us to sit on Fridays?

Mr. DEAKIN.—No; it merely determines the order of business on Fridays should the House be sitting.

Mr. CONROY.—I hope that the House will not sit more than three days a week.

Mr. McDONALD (Kennedy).—The objection I have to the motion is that it will make the setting down of business by private members a farce. If private members are to have an opportunity to bring business before the House, it should be afforded on Thursday afternoons, between the hours of half-past 2 and 6 o'clock, at which hour Government business could take precedence, giving Fridays up also to Government business. If Friday be a Government day, a good attendance will be insured; but if it be set apart for private members' business, the experience of the previous sessions will be repeated, and representatives living in New South Wales and South Australia, who can conveniently get away to their homes at the week end, will do so, making it impossible to take private members' business for want of a quorum. In my opinion it would be better to give no opportunity for the discussion of private members' business than to make a farce of the matter by setting apart Fridays. I hope that Thursday afternoons will be set apart for private business, and I should like to move an amendment to that effect.

Mr. DEAKIN.—As it seems likely that the motion will be discussed at some length, I think that the debate had better be adjourned until it can be resumed in connexion with the consideration of other similar motions of which I have given notice. Perhaps some honorable member will move the adjournment of the debate until then.

Debate (on motion by Mr. WATKINS) adjourned.

SESSIONAL COMMITTEES.

Motions (by Mr. DEAKIN) agreed to—

That Mr. Speaker, the Prime Minister, the Chairman of Committees, Mr. Kingston, Mr. McCay, Mr. McDonald, Mr. McLean, and Mr. Reid be members of the Standing Orders Committee; three to be the quorum.

That Mr. Speaker, Sir Langdon Bonython, Mr. Glynn, Mr. Groom, Mr. Isaacs, Mr. Bruce Smith, and Mr. Spence be members of the Library Committee; three to be the quorum.

That Mr. Speaker, Mr. Fisher, Mr. Knox, Sir Malcolm McEacharn, Mr. Page, Mr. Dugald Thomson, and Mr. Salmon be members of the House Committee; three to be the quorum.

That Mr. Ewing, Mr. Fowler, Mr. Harper, Mr. Poynton, Sir John Quick, Mr. Watkins, and Mr. Mahon be members of the Printing Committee; three to be the quorum.

GOVERNOR-GENERAL'S SPEECH: ADDRESS IN REPLY.

The Address in Reply was read by the Clerk as follows:—

May it please Your Excellency,

We, the House of Representatives of the Parliament of the Commonwealth of Australia, in Parliament assembled, beg to express our loyalty to our Most Gracious Sovereign, and to thank Your Excellency for the Speech which you have been pleased to address to Parliament.

Mr. MAUGER (Melbourne Ports).—I move—

That the Address be agreed to by the House. I should like, at the outset, to heartily reciprocate, on behalf of honorable members, the good wishes expressed in the speech of His Excellency. I am sure that we all trust that the bountiful harvest to which he has alluded, and the good times which he has predicted, may be enjoyed by himself and his good lady, as well as by the community generally. I am sure, too, that honorable members join with the Government in the hope expressed that the war between Japan and Russia may soon terminate, and that the neutrality of Great Britain may be maintained. I agree that it is the duty of the Government to learn as much as possible from the experience of other nations, and I therefore hope that the intention to send an experienced military officer to the seat of war will be carried into effect. I trust, however, that the officer chosen will be an Australian. I am sorry that there has been an inclination on the part of those in authority to rather keep back officers of Australian birth and training, and I hope, therefore, that the Government will require that an Australian soldier shall be sent on this important mission. I heartily congratulate the Treasurer upon the good work which he did in connexion with the recent Conference between him and the Treasurers of the States. The difficulties in the way of funding the debts of the States are exceedingly great, because the interests at stake vary so much, and the problems to be solved are so intricate. Still, a matter is in good hands when the right honorable gentleman has charge of it, and although a great deal has not yet been accomplished, I look forward to the time when this work will be consummated. I hope that the Treasurer will have the honour of having brought about its consummation.

I have heard with pleasure the anticipation of the Government that the settlement of the question will lead to the early establishment of old-age pensions. Such an event is to be heartily welcomed, and I hope that the present Government will bring it about, so that we may have something more than a mere promise. Although there are Government Old-age Pensions Departments in some of the States, they are not all working satisfactorily, while there are States in which this great privilege—or right, as I should rather call it—is denied to the people.

Mr. FISHER.—It is either a right or they have no claim to a pension at all.

Mr. MAUGER.—Surely every honorable member must have been pained to learn that a large number of old and worthy colonists cannot obtain pensions because they are living in parts of the Commonwealth other than those in which they were born. There has been quite a number of such cases, and there will be no satisfactory settlement of the difficulty until we establish a national system of pensions, making the pensions a right and not a mere dole. I am reminded by the Minister for Defence that the Minister for Home Affairs when in power there gave New South Wales its Old-Age Pension Act. I hope that he will determine that the Cabinet of which he is now a member shall confer a similar benefit upon the Commonwealth. I heartily join in the congratulations expressed by the Governor-General in regard to the bountiful harvest.

Mr. DUGALD THOMSON.—Is there to be any legislation for that?

Mr. MAUGER.—More should be done to make proper use of this harvest. Water is now being allowed to waste and grass to wither which might be conserved with a view to prevent the recurrence of distress such as that which the community has recently experienced, and which, without such conservation, will assuredly overtake us again in the future. It must be recognised by all who have travelled through the country that the fruits of the recent good season are not being conserved as they should be.

Mr. FULLER.—The protectionists would not allow the farmers to obtain the machines necessary to do this work.

Mr. MAUGER.—What is required is foresight. The machinery now at our disposal is not being properly used in this direction. His Excellency's speech introduced the all-important but controversial question of preferential trade. The Government believe that they have the people behind them in their desire to arrange for

some system of preferential trade, and I think that they are right in that belief. Although New South Wales has returned many members pledged to free-trade, some of her erstwhile free-traders are now in the van of those who support preferential trade.

Mr. REID.—Erstwhile!

Mr. MAUGER.—I used the word "erstwhile" because they recognised that they were on the wrong track, and think this is a splendid opportunity to get upon the right one.

Mr. JOSEPH COOK.—What is the proposal of the Government?

Mr. MAUGER.—The Government are quite rightly waiting for a proposal. I am sure that the country is behind them.

Mr. REID.—Yes, in waiting.

Mr. MAUGER.—They are prepared to assist the Imperial Government in every practicable way in bringing about this desirable end, and the country is behind them in that.

Mr. REID.—How much will they reduce the duties on hats, boots, and shoes? Are they prepared to reduce them by 5 per cent?

Mr. MAUGER.—I expected that question, and I am voicing the opinion of leading protectionists when I say that we shall be prepared to give preference to Great Britain not only by increasing, but also by decreasing duties.

Mr. REID.—That is a new departure.

Mr. MAUGER.—I am quite sure that there is no desire to make any one-sided arrangement.

Mr. REID.—How much duty would the honorable member place on hats and boots?

Mr. MAUGER.—I must ask the right honorable member to allow me to proceed. The idea in the mind of free-traders that we are only anxious to avail ourselves of this opportunity for the purpose of obtaining increased protection without making any concession, is altogether erroneous. We are prepared, after due and careful consideration, to make concessions to the old country, and I am sure that by mutual concessions and mutual consideration a very great deal can be done to foster, not only the industries and agriculture of the Commonwealth, but also the industries and agriculture of the old country.

Mr. POYNTON.—Will the honorable member take 10 per cent. off the duty on hats?

Mr. MAUGER.—That is not the point we are at present discussing, and there are numerous other articles besides hats on which an increased duty of 10 per cent.

might be placed, or in regard to which there might be a reduction in the tariff. However, it is interesting to note in this particular that in the year 1901—which is the latest year from which I can secure returns—Australia imported food and drink from foreign countries, but which ought to have been imported from Great Britain, to the amount of £2,315,000. In the same year Australia imported from foreign countries raw material to the value of £910,000, and manufactures to the value of no less than £9,211,000. It is urged that we cannot expect Great Britain to give us any preference, in view of our “High-wall Tariff”—that we continually shut out British manufactures, extending them no preference whatever, and that therefore we have no right to look for any concessions or help from Great Britain. But there is a striking fact or two which I desire to lay before honorable members. I have here a return prepared by the Board of Trade, and based on the latest Custom House reports of Great Britain, showing “the estimated average *ad valorem* equivalent import duties levied by the undermentioned countries on the principal articles of British export from Great Britain. According to this report, the duties levied by Russia amount to 131 per cent., by the United States to 73 per cent., by Austria-Hungary to 35 per cent., by France to 34 per cent., by Italy to 37 per cent., by Germany to 35 per cent., by Belgium to 13 per cent., and by Australia, the lowest of all, to a little over 6 per cent. Notwithstanding the fact that Russia imposes duties amounting to 131 per cent., I find that the United Kingdom, in 1902, imported from Russia goods which I think ought to have been imported from Australia, in the shape of food-stuffs to the value of £13,500,000, and raw material to the value of £10,000,000.

Mr. REID.—Why did Australia not supply these goods?

Mr. MAUGER.—Because we had not made arrangements by which the goods could be supplied by Australia, though there is no doubt we ought to supply them. In addition, the United Kingdom imported from Russia manufactures to the value of £195,000, semi-manufactures to the value of £205,000, and other articles to the value of £1,170,000. This gives a total of £25,000,000 worth of imports into Great Britain from Russia, a country which imposes duties to the extent of 131 per cent.

Mr. GLYNN.—Those are picked items.

Mr. MAUGER.—I am giving the returns as prepared by the Board of Trade, which shows the duties on articles imported from Great Britain, and does not give a general average.

Mr. KINGSTON.—Was not the average of duties in South Africa 7 per cent., and in Australia, 6 per cent.?

Mr. MAUGER.—That may be so.

Mr. REID.—Why, that is a free-trade tariff!

Mr. MAUGER.—It is nearly so.

Mr. REID.—No wonder colonial industries are suffering.

Mr. MAUGER.—Colonial industries are suffering, as I shall show directly.

Mr. REID.—The 6 per cent. might be reduced.

Mr. MAUGER.—What I am quoting from is a table showing the “estimated average *ad valorem* equivalent import duties levied by the undermentioned countries on the principle articles of British export from the United Kingdom.”

Mr. REID.—Exported, not imported.

Mr. MAUGER.—If they are exported there they are imported here.

Mr. REID.—That may not be so.

Mr. MAUGER.—I beg the right honorable member's pardon, but that is the case. In Russia the duties on these articles amount to 131 per cent., whereas in Australia they amount to 7 per cent., and my point is that, notwithstanding the high duties imposed in Russia, Great Britain in 1901 imported from that country £25,000,000 worth of goods.

Mr. FISHER.—What does that return prove?

Mr. MAUGER.—It proves that any addition to the duties imposed at present by the Commonwealth would not in any way prevent trade with Great Britain. It further proves that Russia took £14,000,000 worth of goods from the United Kingdom in the same year, thus showing that these duties do not in any way interfere with trade. The imports to which I have alluded embrace a large number of articles in which our farmers and producers are deeply interested. The returns show that from British possessions in 1902 there was imported £2,534,286 worth of butter, while from foreign countries there was imported no less than £17,992,404 worth. I contend that by proper arrangements a large percentage of this trade ought to be secured to the Commonwealth, and not allowed to go to Russia and other foreign countries.

Mr. WILKS.—Great Britain looks to Denmark for butter.

Mr. MAUGER.—Surely Denmark is a foreign country?

Mr. WILKS.—It is not proposed to shut Danish goods out of England.

Mr. MAUGER.—But it is proposed to give us a preference which we are anxious to secure. I am confident that whether the gentleman who is leading the movement in England is successful on the first occasion or not—and I ask honorable members to view the proposal on its merits, irrespective of the statesman who makes it—the Commonwealth and Great Britain must and will be in the near future brought more closely together on the lines which that gentleman has indicated, and to which the Government have alluded. I notice that the Government propose giving assistance to farmers by means of bonuses and speedier and cheaper transit. That proposal is very rightly placed before the succeeding paragraph. I am sure that the most practical way to secure population is to make the present population as thriving, industrious, and successful, as possible. If we can encourage our own farmers and extend our manufactures we shall do more than we should by any action in Great Britain, to increase our population in the way desired by the Government. At the same time, I am quite with the Government in their desire to increase the population of the Commonwealth, and to make known to Great Britain and the other older countries the facilities which the Commonwealth offers in the particular directions indicated; and I hope the Government will do their best to co-operate with the States Governments in this matter.

Mr. PAGE.—Does the honorable member really mean that?

Mr. MAUGER.—I notice that the Government have already taken the first step towards redeeming their promise to introduce an Industrial Arbitration and Conciliation Bill. I hope that the measure will be successfully piloted through, and that the workers will reap the benefit of its provisions. I observe that the Employers' Union have been meeting in New South Wales, and that, notwithstanding the fact that the country has proclaimed emphatically in favour of this very desirable measure, they propose entering a protest against it becoming law. All I can say is that I am sure the Government, in introducing the Bill, have the country behind them, and that the employers have nothing to fear from the working of

such a measure, which must tend to the benefit of the employés and the country generally.

Mr. McDONALD.—Railway servants as well?

Mr. MAUGER.—My friend hopes so, and I am sure that I am earnestly with him in that hope. I desire to briefly allude to the fact that the Government have promised to introduce an Iron Bonus Bill, and to direct the attention, especially of New South Wales members, to the circumstance that since such a measure has been before the country the ironworkers of New South Wales have waited on the Government of that State in order to urge the calling of tenders for locomotives to be manufactured within the State. I should like also to direct the attention of the honorable member for Parramatta to the fact that the trades unions, representatives of which formed the larger part of the deputation, urged that the Government should, even at considerable expense, take steps to have the engines manufactured in New South Wales. The deputation pointed out the desirability of confining tenders to the State, and the Premier, Sir John See, in replying, said that he intended to give a bonus in order to have the engines manufactured in the State, and that he hoped the effect would be the development of the iron deposits to be there found.

Mr. JOSEPH COOK.—The honorable member is putting the case quite wrongly.

Mr. FULLER.—There is a Royal Commission inquiring into the question in New South Wales at the present time.

Mr. MAUGER.—Honorable members say that I am wrong in my statements, but I have here the report of the speech of the Premier of New South Wales, who said distinctly—"Yes, I am prepared to give a bonus, for the reason that we will give employment to our own people, and circulate a large amount of wages throughout the community."

Mr. JOSEPH COOK.—But the deputation did not ask for a bonus.

Mr. MAUGER.—Mr. McGowan and Mr. Hollis, who were with the deputation, stated that they were anxious for the locomotives to be manufactured by the Government if possible, but, failing that, they desired them to be manufactured within the State; and to this end they were prepared to support the giving of a higher price to local tenderers than to foreign tenderers.

Mr. JOSEPH COOK.—These were not the views of the deputation.

Mr. MAUGER.—Of course I do not know the views of the individual members of the deputation, but I know that Mr. McGowan is the leader of the New South Wales Labour Party, of which Mr. Hollis is a representative member, and their clear and definite opinion, as expressed, is that it is to the highest and best interests of the community that these locomotives should be manufactured within the State—that, seeing there is no chance of the Government undertaking the manufacture, the Government should go to the extent of offering a considerably enhanced price to the manufacturer who undertakes the work.

Mr. JOSEPH COOK.—The honorable member is misrepresenting the whole case.

Mr. MAUGER.—I must really beg the honorable member's pardon. I shall not detain the House by reading the full report of the deputation, but I can assure honorable members that I am not misrepresenting the case in any way.

Mr. JOSEPH COOK.—The Government did tender through the Government workshops.

Mr. MAUGER.—And I believe that was the lowest tender received.

Mr. FULLER.—And a Royal Commission is now inquiring into the whole matter.

Mr. MAUGER.—That does not affect my argument.

Mr. JOSEPH COOK.—The object of the deputation was to insist on the locomotives being made in the Government workshops.

Mr. MAUGER.—The report of the deputation sets out quite an opposite view. The Premier of New South Wales is reported as saying—

Practically we offer a bonus for the manufacture of the engines within the State. I have every reason to believe that they can be made just as well and as cheaply as those imported. In support of that statement. I may remark that a shipping company with which I am connected, imported a steamer and machinery in sections. After she was put together a larger steamer was locally built at a less cost in proportion to its greater size than the imported vessel.

Then the Premier was asked—"Is the Cabinet encouraged to take this step by reason of the Federal Tariff?" To this he replied—

I do not say so necessarily. It does seem to me to be a common-sense proceeding to encourage our own skilled workmen rather than those of another country.

The Premier also said that he was quite prepared to undertake the manufacture of the engines or to give an enhanced price for the locally made article.

Also the leaders of the Labour Party were most emphatic in their assertion that they wanted these engines made in the country.

Mr. JOSEPH COOK.—In the Government workshops.

Mr. MAUGER.—I will hand to my honorable friend the newspaper reports of the deputation, and from them he will see that he is wrong. While the leaders of the Labour Party were anxious to have the engines manufactured in the Government workshops, they were still more anxious to have them manufactured in the country. They were prepared to give a bonus rather than that the locomotives should not be manufactured in the country at all. That fact strengthens very much the position taken up by the report of the Royal Commission on Iron Bonuses, and it also demonstrates clearly the important fact that the workmen of the Commonwealth are beginning to recognise that it is the first duty of the Government to find employment for our people, and not by means of imports, to employ foreign workmen while our own workmen are standing idle.

Mr. KELLY.—Where does Great Britain come in, in regard to a preference on iron?

Mr. MAUGER.—There are plenty of things on which we can give a preference to Great Britain; and if my honorable friend is in earnest in his remark he will be willing to join with us to secure that object. There are, for instance, such things as motor cars and cotton goods in regard to which a preference can be given to Great Britain without in any way destroying or retarding our own industrial progress.

Mr. KELLY.—The manufacture of iron is a staple industry of Great Britain.

Mr. MAUGER.—Notwithstanding that, the largest proportion of our imports of iron come not from Great Britain but from foreign countries; so that in establishing our own industries we shall not be injuring Great Britain, but shall be taking trade from foreign countries. I also want to allude to the question of ocean mail contracts, and to point out that it is a very remarkable fact that although the Leader of the Opposition has been offering strong opposition to the attitude assumed by the Government in determining to carry out the wish of this House, yet the very same position was arrived at by two Postal Conferences held prior to the Commonwealth being established. The honorable member for Parramatta was a member of the Postal Conference held in Tasmania, which unanimously resolved that it was the duty of the States Governments to

pay no further bonuses or bounties to ships that were not worked by white labour. The same resolution was arrived at when the honorable member was chairman of a conference which sat in New South Wales, and I suppose that that resolution was assented to by the head of the Government of which he was a member.

MR. REID.—Does the honorable member?

MR. MAUGER.—If it was not assented to by the right honorable member, it was not objected to by him.

MR. REID.—Is the Premier of a State bound by the decision of an Intercolonial Conference of Postmasters-General?

MR. MAUGER.—I should say that the Premier of a State was bound by the acts of his Ministers, and was responsible for them.

MR. DEAKIN.—He did not repudiate them.

MR. REID.—I am not responsible for a lot of things.

MR. MAUGER.—I have yet to learn that my right honorable friend disputed what was done or even raised his voice against it.

MR. REID.—I had sense enough to know that it would never come to anything.

MR. MAUGER.—Were the resolutions passed with the intention that they should not come to anything, or did the right honorable member's colleague intend that they should come to nothing?

MR. REID.—I never read those documents. I was too busy. I never heard of them until the subject was mentioned a month or two ago.

MR. MAUGER.—But the right honorable member knows full well that he never raised any objection to the resolutions, which expressed the unanimous wish of the Conference long before the Commonwealth was established.

MR. WATSON.—The leader of the Opposition was questioned about the matter at the time in the New South Wales Parliament.

MR. REID.—I am glad to hear it. I have no recollection of it.

MR. MAUGER.—I have no doubt that my right honorable friend knows all about it. He is very innocent, but he is not so innocent as he looks. The fact remains, that he never repudiated the act of his colleague. The Parliament of the Commonwealth only did its duty when it ratified the decision of the Conference to which I have referred, and although we have not been able to arrive at any satisfactory solution, I am satisfied that this House is just as determined as ever that it will not subsidize steamers that

carry any but white labour. I am quite sure that, rather than yield that principle, we would put up with all the inconveniences of a poundage system. A great deal of nonsense has been talked about "a white ocean." The position which this House has taken up is this: That we will refuse to subsidize ships that carry other than white labour. Surely that is a tenable, a reasonable, and a just position to take up. We do not object to black men earning their living, but we do object to subsidize boats which use black men with the effect of degrading white labour.

MR. GLYNN.—We do not lose anything by the contract; the amount is made up by the increased rates charged.

MR. MAUGER.—We pay a great deal if we do not lose anything. Another matter to which I should like to direct attention is the question of the employment of Chinese labour in South Africa. I should like to congratulate the Government heartily upon the stand they took up and upon the protest they made against the employment of Chinese labour in the South African mines. I also notice with pleasure that the British Government, in replying to the Premier of New Zealand, acknowledges that that colony and the Commonwealth of Australia are quite within their rights when they enter these protests.

SIR MALCOLM MCEACHARN.—Who says that?

MR. MAUGER.—It is contained in the letter sent by the home authorities to the Premier of New Zealand, in which the Colonial Secretary says—

I fully recognise the title of all the self-governing colonies to explain their views on so important a question, and especially of those who, like New Zealand, rendered memorable service in the South African war.

Our right to enter a protest is acknowledged by the home authorities, who say that the fact that New Zealand and the Commonwealth sacrificed so much in money and lives in connexion with the war is a sufficiently strong reason for their expressing their views.

SIR MALCOLM MCEACHARN.—Not for entering a protest; for expressing an opinion.

MR. MAUGER.—That is only another way of doing practically the same thing. I do not think that there is very much difference between saying that we are entirely opposed to the employment of Chinese labour in South Africa and formally protesting against it. In my belief, this matter of the employment of Chinese

labour in the mines of South Africa has been coming to a head for a very long time past, and I would direct the attention of honorable members to a very significant article upon the subject.

Mr. REID.—The honorable member would not have the same objection to the employment of the natives of the country?

Mr. MAUGER.—No, but I want to direct some attention to that phase of the question. A very striking article appeared in the *Nineteenth Century* of November last from the pen of Sir Harry Johnston, in which he makes these striking statements—

White men are expensive and too unruly. The kaffir requires £3 a month. The natives of Central Africa are accustomed to receive 3s. a month, and would think themselves well paid with £1 to 30s. a month. More than 12 hours a day should be prohibited, and Sunday should be regarded as a day of reasonable liberty. The minimum wage should be £1, and only 10 per cent. paid to the men as pocket money during service.

Mr. TUDOR.—No strikes there!

Mr. MAUGER.—No. Then I want to direct attention to a very important conference of the Society of Architects and Engineers which took place in China last year. Mr. Stuart, a member of the Society, said—

As a result of a rather long experience in superintending Chinese labour, he had great respect for Chinese workmen. He could not perform so much work in a given time as the white man because he was not so strong, but he made some amends for this by working on Saturday afternoons, Sundays and holidays. His working year contained about 15 per cent. more working hours than the British workman's, and he seldom went on strike.

I hold that this has to do with Australian and British workmen, inasmuch as it lowers the standard of living, and is degrading to all white labour.

Mr. REID.—The same thing has been going on in Central Africa for ages. It is a horrible thing.

Mr. MAUGER.—Mr. Herfoot, at the same conference, said—

The previous speaker had undoubtedly proved that the Chinamen were from 40 per cent. to 50 per cent. cheaper in most industries than white labour. Taking his own industry, cotton spinning, comparing Chinese with Lancashire operatives, who were the best in the world, he found that for similar work the Chinese were from 30 per cent. to 40 per cent. cheaper.

An additional reason why Chinese labour should be more and more utilized, not only in the mines, but in all industries, is set forth thus—

The young people were coming into the mills at nine and ten years of age, and would make the labour cheaper still.

In view of such observations, and in view of the fact that we did so much in regard to the South African war, we are quite within the range of our business when we enter an emphatic protest against introducing Chinese labour into the mines of South Africa. I would briefly allude to the proclamation of the Defence Act, and would say that to me it is a matter of regret that this Act did not incorporate a Council of Defence, such as I advocated on the floor of this House. Great Britain has recently adopted such a Council, and has abrogated the old system of governing the army through a Commander-in-Chief.

Mr. PAGE.—Is that due to the honorable member's advocacy?

Mr. MAUGER.—At any rate, it has been adopted since the question was discussed here. It will also be noticed that the United States Government has done the same thing, and that even Japan has got rid of her Generalissimo, or Commander-in-Chief, and has adopted such a Council. I do not wish to cast any reflection on any gentleman at present occupying a high post in connexion with our defence forces, but I do hope that before any future appointments are made the Government will consider the subject, and review the whole staff system, with a view of bringing our forces more into line with the idea of a citizen soldiery.

Mr. REID.—But there is Sir John still in the Cabinet.

Mr. MAUGER.—But the right honorable gentleman referred to will not dominate in the wrong direction. In regard to the white labour question in Queensland, we all rejoice to know that the amount of white labour employed upon the sugar plantations is increasing. Facilities ought to be afforded for all the planters who want to employ white labour to obtain it at the places where it is wanted as cheaply as possible. The Queensland authorities, I am glad to know, are doing much to facilitate the attainment of that object, and that fact ought to be made known as widely as possible.

Mr. McDONALD.—There is plenty of white labour there now.

Mr. MAUGER.—I am glad to know that it is being recognised that the contention that the growing of sugar could not be done by means of white labour is now disproved. That is demonstrated by the fact that it has been done, and is being done, and by the

probability that it will be done to an increasing extent as further experience is gained. I also notice that the Government are proposing to deal with another question which was raised in this House last session, in regard to land tenure and the liquor traffic in New Guinea. I am quite sure that the Government will recognise the decisions given by this House in regard to both of those questions. I notice that the Government are making inquiries. I hope that they are making inquiries from the right people. I have not much confidence in official reports; and I trust that no step will be taken until the House has again had an opportunity of debating and reviewing the decisions they arrived at. I wish to make a final allusion to the question of Electoral reform. It has been stated on behalf of the Government that they are going to make use of the experience gained at the recent elections. I hope that they will. While I recognise fully the magnitude of the work which had to be done, I cannot help thinking that the desire to be over-economical tended to a great extent to make the difficulties greater than they would otherwise have been. A number of men were put into positions in which they knew less about the work than the work knew about them. In many instances these men, if they were not sweated, were paid miserable pittance for the work which they did. Poll clerks were paid 15/ for a day of something like 16 hours. The State always paid something over £1 for similar work. I hope that the Government will do something more than rectify mistakes. It is a great reflection upon the people of the Commonwealth that not one half of them recorded their votes.

Mr. JOSEPH COOK.—I could not record mine, for the simple reason that I was not on the roll.

Mr. MAUGER.—Why did not the honorable member see that his name was on the roll? He was entirely to blame for the omission.

Mr. JOSEPH COOK.—No, I was not; because my name, after being placed on the roll, was taken off again.

Mr. MAUGER.—Whilst there may have been many omissions from the rolls, a great reflection still rests upon the people of Australia in that they were so much engrossed with provincial affairs or the pursuit of pleasure that they did not record their votes. I hope, also, that the Government will try to provide some machinery by which majority representation may be secured. We have

heard a great deal about minority representation, and I find that of the sixteen Victorian constituencies in which there was a contest at the last elections, eight returned representatives of minorities.

Mr. JOHNSON.—The honorable member is responsible for that.

Mr. MAUGER.—Who says so?

Mr. JOHNSON.—The Government.

Mr. MAUGER.—The honorable member is a new member, and does not know any better. He is placing the responsibility upon the wrong shoulders. Eight or nine of the Victorian constituencies are represented by gentlemen who were returned by minorities, and this ought not to be permitted. In Germany they have overcome the difficulty by means of a second ballot, and I hope that the Government will give the introduction of some system with a similar object their earnest and careful consideration. Whilst we are anxious to conserve the rights of minorities, we should see that effect is given to the wishes of the majorities in the constituencies. I have great pleasure in submitting the motion.

Mr. STORRER (Bass).—I desire to second the motion. The honorable member for Melbourne Ports has traversed the ground so fully that he has not left me much to say, and I have no wish to repeat what he has said. I cordially indorse the sentiments to which expression is given in His Excellency's speech, and I hope that the predictions uttered will be fulfilled. It is a matter for congratulation that the drought has passed away, and that the past year has been one of plenty. The State from which I come has suffered, not from drought, but from too much water, which has to a very large extent spoiled our harvest. This abundance of moisture has, however, contributed to the prosperity of the mainland, and although it has resulted in misfortune to us, we must all feel gratified that a good year has been passed in the majority of the States. It is a matter for regret that two great nations should have entered upon a war; and I trust we shall be spared the consequences of any interference by Great Britain in the struggle now proceeding. I am glad to see that a proposal is made with regard to the transfer of the States debts to the Commonwealth. I consider that steps might have been taken in this direction at an earlier stage. I contend that it was our duty to take over the whole of the debts of the States as soon as the Commonwealth was established.

I am one of those who favour the idea that the Federal authorities should take over the whole of the functions of Government, and thus do away with the necessity for incurring expense in maintaining States Parliaments and Administrations. I hope now that initial steps have been taken by the States Treasurers in regard to the transfer of the States debts, a further Conference will be held at an early date, and that such progress will be made as will fully compensate for the delay that has taken place. I am very glad to see that the finances of the Commonwealth are in a satisfactory condition, and that steps are to be taken to deal with the question of old-age pensions. I believe that before Federation it was the duty of every State to make provision for its aged poor, and now that we have established the Commonwealth, it becomes our duty to look after the interests of indigent old people, no matter in what part of the Commonwealth they may be located. As an offshoot of the British nation, we consider ourselves to be an enlightened people, and, perhaps, more advanced in civilization than most other nations, but we shall not be able to fully sustain our claim in that regard unless we provide for our poor in their own homes, instead of requiring them to seek a refuge in charitable institutions. I trust that an old-age pension scheme will be adopted at an early date. No doubt it will involve a tax upon the people, but those who are young and able to work should esteem it a privilege to contribute towards the support of those who have passed the age at which they are able to sustain themselves. The question of assisting farmers and other producers has been so fully dealt with by the honorable member for Melbourne Ports, that it is not necessary for me to dilate upon it. In connexion with the question of preferential trade, it has been asked what benefit we could confer upon the old country. In this connexion I would point out that at present we are importing very largely from foreign countries, and are building up their industries and giving employment to their people instead of affording encouragement and employment to the manhood of our own nation, who have to fight our battles and to stand up in defence of our liberties. In order to avoid this we should levy higher duties upon foreign goods than upon those imported from Great Britain. The old country has stood by us in the past, and will continue to befriend us, and therefore, by giving preference to her products, we shall not only confer an

advantage upon our fellow-subjects in the old land, but contribute to our own protection. I am glad to see that some attention has been given to the subject of encouraging farmers and other producers by providing markets for their produce. This should be done in regard to every industry in the Commonwealth. Australia can produce a great many articles that would be of service to the old country, and it is our clear duty to afford every facility for their transmission to the home markets. I am very glad to see that a proposal is made to have only one Agent-General for the Commonwealth. I could never see the necessity for having so many representatives of Australia in the old country. Surely one good Agent-General, with assistants under him, could adequately represent the Commonwealth as a whole. I hope that the suggestion of the Government will be acted upon. Like the honorable member for Melbourne Ports, I am a strong advocate of the principle of conciliation and arbitration. I hope that the day will come when the great nations will realize that it is better to settle their disputes by arbitration rather than by the shedding of blood, and the infliction of hardships upon many who are not immediately concerned. In connexion with strikes, it is not only the strikers who suffer, but thousands of innocent women and children, and, in fact, the whole community. I trust that the Arbitration Bill will be passed into law, and that such things as strikes will be unknown in our midst. It is desirable that we should pass a measure for the better regulation of navigation and shipping generally, and therefore I am glad that a proposal in this direction is to be submitted to us. It would be a good thing for the Commonwealth if special measures were adopted to encourage the iron industry. We have iron deposits in Australia, and it is surely far preferable that we should avail ourselves of our resources in this respect than send abroad for the iron that we require. It is satisfactory to find that the revenue received from Customs has realised the expectations of the Treasurer, and I am glad to see also that the estimates of expenditure are to be framed with economy. I think we should study economy in every way. There has been too much extravagance in the States, and perhaps also under the Commonwealth administration, and I am glad that the Government have resolved to carry on our business with due regard for economy. I fully indorse the action of the Government in reference to the message sent from

the Commonwealth to the old country, regarding the introduction of Chinese labour into the Transvaal. I do not go the whole length with some of my friends in reference to prohibiting the introduction of Chinamen, but after Australians and Canadians, and, in fact, the men of all the British dominions have shed their blood in the Transvaal in defence of the rights of British subjects, it is not right that Chinamen should be imported to perform work which should be given to our fellow white subjects. I trust, therefore, that our interference in what may be regarded in some quarters as other people's business will have some effect, and that the importation of Chinamen into the Transvaal will not be persisted in, but that British subjects will be employed in recovering gold from the mines there. If Chinamen are imported into the Transvaal, they will take back all the money they can, and thus enrich their own country.

Mr. BROWN.—The mine-owners will not allow them to take away much money.

Mr. STORRER.—I know that the idea of the mine-owners is to procure cheap labour, but the mines should be so worked as to enable a fair day's wage to be paid for a fair day's work. That is the only way in which a prosperous community can be built up. I do not intend to refer to the question of the selection of the Federal Capital site, because that will be more fully discussed later on. I am glad to see that the Defence Forces in the various States are to be placed upon a uniform footing. I regret that, owing to some misunderstanding last year, some of the Tasmanian volunteers were not paid at the same rates as were the men in other States.

Mr. TUDOR.—The Tasmanian Government objected to their receiving the higher scale of pay.

Mr. STORRER.—I do not know whether that can be proved. I have not yet seen any documents upon the subject, and I do not know anything about it. At any rate, I am not responsible for the acts of the Tasmanian Government. I hold that all the men connected with the Defence Forces should be placed upon the same footing, irrespective of any wish expressed by a State Government. I am glad to learn that there is no longer ground for complaint, and that the forces in all the States are to be treated upon a uniform basis. I note that a conference of representatives of the Governments interested in the Pacific cable is shortly to be held in London, and I

trust that one result of its deliberations will be to place Tasmania upon the same footing as that occupied by the other five States of the Commonwealth. I utterly fail to see why its people should be required to pay telegraphic rates which are in excess of those charged in other portions of the Commonwealth. To be compelled to pay an additional halfpenny upon every word which is contained in messages despatched to and from that State constitutes a very great hardship, especially so far as the Press is concerned. Surely if Federation be worth anything, the States in this matter should be placed upon an equality. I trust, therefore, that the existing evil will be speedily remedied, and that in future Tasmania will be granted a fair field. Its people ask for no favour. The inequalities and anomalies which have discovered themselves in our Electoral Act will, I hope, be quickly remedied. Personally, I am in favour of our elections being conducted under the Hare system. I have never yet found any one who has investigated the merits of that system and who has had experience of its working who does not prefer it to the block system which operated in connexion with the recent Senate elections. Under these circumstances I am exceedingly hopeful that the Hare system will be considered when we are amending the Electoral Act. I have very much pleasure in seconding the motion for the adoption of the Address in Reply.

Mr. REID (East Sydney).—I think that my honorable friends who moved and seconded the motion for the adoption of the Address in Reply had an opportunity afforded them to see His Excellency the Governor-General's speech before honorable members listened to it in the Senate Chamber. I had not that advantage, and I feel that it is only right I should have some little opportunity to consider that speech, which was a long and very important one. Under these circumstances, and following the usual practice, I move—

That this debate be adjourned until to-morrow.

Mr. DEAKIN (Ballarat—Minister for External Affairs).—An adjournment of the first day's debate upon the Address in Reply is a courtesy which in the Victorian Parliament—and I think in the Parliaments of some of the other States—is invariably extended to the leader of the Opposition, and I have pleasure in complying with his request.

Motion agreed to; debate adjourned.

ADJOURNMENT.

CONCILIATION AND ARBITRATION BILL.

Motion (by Mr. DEAKIN) agreed to—

That the House, at its rising, adjourn until to-morrow, at 2.30 p.m.

Motion (by Mr. DEAKIN) proposed—

That the House do now adjourn.

Mr. McDONALD (Kennedy).—I desire to ask the Prime Minister if copies of the Conciliation and Arbitration Bill will be obtainable by honorable members to-morrow?

Mr. DEAKIN (Ballarat—Minister for External Affairs).—The Bill has been ordered to be circulated, and I presume, therefore, that honorable members will receive it to-morrow.

Question resolved in the affirmative.

House adjourned at 6.20 p.m.

Senate.

Thursday, 3 March, 1901.

The PRESIDENT took the chair at 2.30 p.m., and read prayers.

ADMINISTRATION OF OATH.

The PRESIDENT.—I have to report to the Senate that I have received from His Excellency the Governor-General a Commission authorizing me to swear in members of the Senate who have not already taken the oath of allegiance.

DEFENCE REGULATIONS.

Senator GUTHRIE asked the Vice-President of the Executive Council, *upon notice*—

If the Government will cause to be laid upon the table of the Senate copies of all the suggestions submitted by the Naval Commanding Officers at the recent Conference which dealt with "Defence" Regulations?

Senator PLAYFORD.—The answer to the honorable senator's question is as follows:—

As the question of naval re-organization is under the consideration of the Government, it is not considered advisable at present to make public all the suggestions made by officers for the consideration of the Minister.

DAYS OF MEETING.

Senator Sir JOSIAH SYMON (South Australia).—May I say that I understand that there may be some opposition to notice of motion No. 1, relating to the days of meeting of the Senate.

The PRESIDENT.—I asked whether it was formal or not formal, and it was **stated** to be formal.

Senator Sir JOSIAH SYMON.—That, I understand, enables it to be moved at **once**, but it does not preclude discussion.

The PRESIDENT.—Yes; under our Standing Orders, if a motion is formal it cannot be discussed.

Senator Sir JOSIAH SYMON.—I think there is a misunderstanding. I wish to point out, with the indulgence of the Senate, that an honorable senator mentioned to me that he desired to express an opinion with regard to the days of sitting. It is usual to discuss that question, and I therefore ask you to put the question whether the motion shall be regarded as formal to the Senate again.

The PRESIDENT.—I have put it to the Senate, and the motion has been declared to be formal.

Senator Sir JOSIAH SYMON.—I ask you to put the question again. I think there was a misunderstanding.

The PRESIDENT.—I will call upon the Vice-President of the Executive Council to move notice of motion No. 1 as a formal motion. I am bound by the Standing Orders. But, of course, if the Senate likes to say that it shall be discussed, it may do so.

Senator Sir JOSIAH SYMON.—I will ask the Vice-President of the Executive Council not to move it as a formal motion.

Senator PLAYFORD.—In a case of this kind I am in the hands of the President.

The PRESIDENT.—I am bound by the Standing Orders. I call upon the Vice-President of the Executive Council to move the notice of motion as a formal motion. If the Senate otherwise decides it can be discussed.

Motion (by Senator PLAYFORD) proposed—

That the days of meeting of this Senate during the present session be Wednesday, Thursday, and Friday of each week, at the hour of half-past two o'clock in the afternoon of Wednesday and Thursday, and at the hour of half-past ten o'clock in the forenoon of Friday, unless otherwise ordered.

Senator MILLEN (New South Wales).—I desire to say—

The PRESIDENT.—The honorable senator is bound by the Standing Orders.

Senator MILLEN.—I was not present when the question was put, whether the notice of motion was formal or otherwise.

The PRESIDENT.—I cannot help that. The honorable senator ought to have been in his place. I am bound by the

Standing Orders ; the honorable senator must see that.

Question resolved in the affirmative.

ORDER OF BUSINESS.

Motion (by Senator PLAYFORD) agreed to—

That on Wednesday, Thursday, and Friday during the present session Government business take precedence of all other business on the notice-paper, except questions and formal motions, and except that private business take precedence of Government business on Thursday up to the tea adjournment, and that, unless otherwise ordered, private orders of the day take precedence of private notices of motion on alternate Thursdays.

SESSIONAL COMMITTEES.

Motions (by Senator PLAYFORD) agreed to—

That a Standing Orders Committee be appointed, to consist of the President, the Chairman of Committees, Senators Lieut.-Col. Gould, Sir W. A. Zeal, Dobson, Higgs, Playford, Pearce, and Trenwith, with power to act during recess, and to confer with a similar Committee of the House of Representatives; three to be the quorum.

That a Library Committee be appointed, to consist of the President, Senators Matheson, Keating, Millen, Stewart, Sir J. H. Symon, and Styles, with power to act during recess, and to confer or sit as a Joint Committee with a similar Committee of the House of Representatives; three to be the quorum.

That a Printing Committee be appointed, to consist of Senators Pulsford, Macfarlane, Henderson, Dawson, Findley, Smith, and Guthrie, with power to confer or sit as a Joint Committee with a similar Committee of the House of Representatives; three to be the quorum.

That a House Committee be appointed, to consist of the President, Senators Lt.-Col. Neild, Playford, de Largie, Fraser, O'Keefe, Turley, with power to act during recess, and to confer or sit as a Joint Committee with a similar Committee of the House of Representatives; three to be the quorum.

GOVERNOR-GENERAL'S SPEECH : ADDRESS IN REPLY.

Senator TRENWITH (Victoria).—I have the honour to move—

That the following address be presented to His Excellency the Governor-General :—

TO HIS EXCELLENCY THE GOVERNOR-GENERAL—

May it please your Excellency,

We, the Senate of the Commonwealth of Australia in Parliament assembled, beg to express our loyalty to our Most Gracious Sovereign, and to thank Your Excellency for the speech which you have been pleased to address to Parliament.

In moving this motion, I think we may fairly congratulate ourselves that His Excellency's advisers have presented to us a tolerably full bill of fare. If we get

through, judiciously and well, all the work that is presented to us in this speech, we shall do very good work indeed. The first paragraph is one with which I am sure we shall all agree. In it His Excellency congratulates the Commonwealth upon the fact that we have passed over the very serious period of drought with which Australia has been afflicted. It seems to me, however, that that drought should cause some serious reflections on the part of members of the Commonwealth Parliament. This country is liable to be again so afflicted. Past experience teaches us that that is so. Although the Constitution under which we work limits our powers with reference to the permanent waterways of Australia to matters affecting navigation, it seems to me that we ought, as far as possible within our powers, to give consideration to the other extremely important question of irrigation ; and in pursuance of our powers to control the rivers of Australia for navigation purposes, we may perhaps—it seems to me that we can—facilitate the application and use of water for irrigation purposes. It would be well for this Parliament, at the earliest possible time, to take into its consideration the question of rendering more permanent some of our temporarily navigable rivers by a judicious system of locking. By that means we could raise the level of those rivers permanently and to that extent facilitate the operation of irrigation in various ways. The reference to the war between Russia and Japan is one which, I am sure, we all heartily indorse. It does not seem to me to call for any special comment. But the next paragraph, the third in the Governor-General's speech, is one of which it is impossible to over estimate the importance. It has reference to the possibility and the prospect in the near future of the States debts of Australia being taken over by the Federal Parliament. Our position with reference to indebtedness is becoming—has become—extremely serious, and is daily becoming more so. There are whisperings, and something more than whisperings, that Australia has reached the limit of its power to borrow with any degree of satisfaction, or with any possibility of securing reasonable terms. That is a very serious position. The Commonwealth owes considerably over £200,000,000 to foreign bondholders. That is a debt of very great magnitude, considering the extent of our population. Of course, there are those who hold that we need not be afraid to borrow, and that

borrowing is a good thing for us. But I venture to express the opinion that borrowing is an extremely bad thing, and that we ought to give serious consideration to the question of how we can discontinue borrowing without retarding the progress of the Commonwealth. Mr. Coghlan, in his last issue of the *Seven Colonies of Australasia*, states the position of the Commonwealth with reference to indebtedness in a very striking form. The argument is frequently used that we must borrow, that borrowing is necessary to our development in order to bring money into the country. Now the figures presented by Mr. Coghlan show in a very startling manner that borrowing, so far from bringing money into the country, does the very opposite. He mentions that from 1871 to 1901, a period of thirty years, Australasia has borrowed £206,000,000. According to the argument that we can bring money into the country by borrowing, one would think that we had obtained £206,000,000. But, as he points out, out of the £206,000,000 that we have borrowed, all the money that has ever reached Australasia is £25,000,000. The other £181,000,000 has remained in London to pay interest and other charges. The private borrowings present still more striking facts. We have borrowed in the period referred to £107,000,000, but we have sent away in interest and profit to foreign investors £164,000,000. Thus we have sent away all the money we have borrowed during those thirty years, and £56,000,000 in addition. Those figures seem to me to suggest a very serious reflection. Taken in the aggregate, the public and private indebtedness of Australia is roughly about £400,000,000. The interest on that sum is roughly about £16,000,000. Thus, with a population of a little over 4,000,000 in Australasia, we are sending away every year to the foreign bondholders nearly £16,000,000. When we remember these facts, is it not remarkable that this continent is liable to very frequent cycles of depression? Of course there are national debts that are not so burdensome as ours is. The national debt of Great Britain, although large—not nearly so large proportionately as ours—still is no great burden to Great Britain.

Senator de LARGIE.—She has less to show for it than we have, though.

Senator TRENWITH.—That does not seem to me to affect the question with which I am dealing. It is true that Great Britain

has less to show for her national debt. Her people have fewer interest-returning assets to show for it. But they have a free country occupying the proudest position amongst the nations of the earth to show for it. That must not be forgotten. But it is not that aspect of the case that I wish to direct the attention of honorable senators to. What I wish to impress on honorable senators is that we in Australia are bearing an enormous burden, which is more than I think we can continue to bear without feeling in the future, as we have undoubtedly felt in the past, serious inconvenience. This seems to me to point to the necessity for some step being taken to check the drift of indebtedness.

Senator DAWSON.—Kyabram will do that.

Senator TRENWITH.—I want as far as I can to discuss this extremely important question apart from any consideration that will lead to friction, heat, or bad feeling. We are confronted with a very serious position in reference to our indebtedness; and there is only one way out. We should, as nearly as may be, cease borrowing for the future, and as soon as possible—at once, indeed—adopt some means for providing a fund by which we may begin to get out of debt. It seems to me that the only way to attain this end efficiently, completely, and thoroughly, is for the Federal Government to take over the whole of the States debts, and make such provision as will give the Commonwealth control of borrowing for the future. I know that this suggestion will not be popular in some quarters. We have got so into the habit of borrowing that if we want to buy a new walking-stick we float a loan for the purpose. At any rate, it would appear as if that were so—as if we were an impotent, poor, and poverty-stricken community; though we know, of course, that that is not the fact. Mr. Coghlan, in his latest statistics, says that in Australia there is a distribution of wealth unparalleled in any country in the world. That points to the conclusion that we can, and ought to, pay our way from day to day instead of increasing our indebtedness, and handing down a burden which posterity ought not to be called upon to bear. The question of the establishment of a sinking fund may be approached in several ways, and I think judiciously. But what strikes me most forcibly in connexion with our indebtedness is that in Australia, as Senator

de Largie has pointed out, we have something to show for our indebtedness. We have expended the loan money, in the main, in the creation of public works, in the construction of railways, the carrying out of irrigation schemes, and in a hundred and one other ways, all of which have tended to improve the value of private lands.

Senator MILLEN.—Not all; there are public lands.

Senator TRENWITH.—Public lands, as the honorable senator will see, do not have their value improved so far as the public are concerned. The policy is laid down—and it is a very proper policy—that a State, or the Commonwealth, shall not make a profit out of the land. Although the public land is, and has been, largely improved in value by the public works policy of the whole of the States, yet the system is to give *bonâ fide* and suitable settlers land practically for nothing. There is therefore little or no advantage to the people as a whole.

Senator MILLEN.—Land is not given for nothing in New South Wales.

Senator TRENWITH.—It is said that land is not given for nothing in Victoria, but as a matter of fact, the land in that State is assumed to be worth £1 per acre. It is true, as I have been reminded, that some land is sold by auction, but the general principle is to assume the land to be worth £1 per acre. There have been classifications in Victoria, which have reduced the value below that sum; but, as a general principle, suitable selectors are given land not for £1 per acre but for 5 per cent. interest on the valuation, extending over twenty years; in other words, the land is given for nothing. However, that is really apart from the issue I am endeavouring to present to honorable senators. What I wish to impress on honorable senators is that this enormous expenditure of considerably over £200,000,000 by the respective States of the Commonwealth has mainly gone to improve the value of private lands.

Senator PULSFORD.—Nonsense!

Senator TRENWITH.—The honorable senator will have his opportunity, and may be able to show, I am sure to his own satisfaction, that what I have said is nonsense. However, I state my argument, poor though it may be. It seems to me that it would be equitable in connexion with the provision of a sinking fund—a provision which is now being looked on as necessary—to establish some system of land tax for the purpose. Having in view the very large area of privately held land in

Australia, honorable senators will see that it would be possible to create a very substantial sinking fund by means of a land tax without inflicting a grievous burden on any individual. That is to say, the tax in its incidence would begin so low, and be so light in its character, that although the aggregate result would be very substantial, the amount which any individual would have to pay would be very small. It seems to me that the Commonwealth Parliament ought to give consideration to this suggestion, as one means of providing a sinking fund. There are, to my mind, several other plans which might easily be adopted without inflicting any additional burden on the people. For instance, I understand that the Commonwealth Treasurer has been in communication with the Imperial authorities in reference to securing the right to mint silver in Australia. That is a right we have not hitherto enjoyed, but I believe it is one which is not far distant. Honorable senators know that for some time past we have been minting gold, which is not a profitable undertaking, but is, to some extent, a convenience to the States. Therefore, I for one do not in any degree deprecate the fact that the work is undertaken within the Commonwealth. But we must remember that we are minting gold at a loss, some of it being for our own use, and some of it for the use of the Empire. On the minting of silver, there is, I believe, a very large profit, approaching 50 per cent., and I think that power to undertake this work will soon be granted to us, as, I have no hesitation in saying, it should be granted. Our experience of, and our association with the Imperial authorities, teach that any concession which can be demonstrated to be just and fair is generally granted to us, and therefore I think that in the near future we may look forward to making some profit on the minting of silver. I am not in a position to say how much that profit may be, but, whether it be great or small, it might be very properly used, without inflicting any additional burden on the people, for the purposes of a sinking fund. There is another very heavy expenditure which some of the States, though I am not in a position to say how many, are at present incurring. I refer to the pensions system of the State in which we are now meeting, and of some of the other States. That is a system which, while still current, has been abolished in spirit; that is to say, while the agreements we have made to give pensions to public

servants, under certain conditions, are to be kept—and that is a very proper condition, I think—no pensions are to be paid in the future. I do not know the whole figures in this connexion as applied to all of the States, but in Victoria there is under this head an annual expenditure of considerably over £300,000.

Senator MCGREGOR.—That is as much as is paid in old-age pensions.

Senator TRENWITH.—It is more, I think; at any rate, it is as much. That is an expenditure which we are now bearing, and we might adopt the principle of applying this money as pensions fall through, by death or removal, taking the maximum amount payable in a given year as a basis, to a sinking fund in order to meet our indebtedness. That, it seems to me, would be a judicious course to adopt. From the sources I have indicated, and others, it can readily be conceived that we could, in a very short time, make a very substantial decrease in the amount of our indebtedness. There is another question intimately associated with that of our debt—that is, the question of banking, and it seems to me that by a judicious use of banking by the Commonwealth itself we might make very large savings. Roughly speaking, there is throughout Australia a note issue of between £4,000,000 and £5,000,000. That is the recorded note issue; and when we remember that the note issue is taxed to some extent, I think in all the States, but at any rate in Victoria—

Senator FRASER.—It is heavily taxed.

Senator TRENWITH.—I am going to show that we can get a much larger revenue by another process.

Senator DAWSON.—There are State notes in Queensland.

Senator TRENWITH.—I am aware that there are Treasury-notes in Queensland.

Senator TURLEY.—There are State notes in Queensland.

Senator TRENWITH.—The note issue of private institutions, as recorded, is, roughly speaking, between £4,000,000 and £5,000,000. But it must be remembered that this is only the recorded note issue, based on what is called the daily balance. That is to say, the notes that are out of the bank each day are called "notes in circulation"; but it is a common method of business to pay notes in each day in connexion with the accounts of business people, and these are regarded as not in circulation, although they may be put in

circulation again in the afternoon. These notes may be paid out the following day just in the same way as sovereigns are; and it would be just as correct to describe sovereigns paid into the bank during the day as not in circulation as to so describe these notes. Therefore, it is extremely likely that if we had the real figures we should find that there are between £6,000,000 and £7,000,000 worth of notes in circulation in Australia. If, in pursuance of the policy of the Commonwealth, we thought fit to establish some system of national banking—

Senator MCGREGOR.—The honorable senator ought to know; he is a director.

Senator TRENWITH.—If, in pursuance of the powers of the Commonwealth, we thought fit to establish some system of national banking, it would be quite possible to issue from £6,000,000 to £8,000,000 worth of paper money; and we could by this means obtain at once a loan to that amount without interest, that would be permanent in its character. The sum of £8,000,000 at 3½ per cent. represents £280,000 per annum.

Senator PULSFORD.—Would the honorable senator hold no reserve of gold against all those notes?

Senator TRENWITH.—I am discussing now an aspect of the case that does not seem to me to involve the necessity just now of considering all the details. There is no doubt that we have in our assets—in the taxpayers and in the revenue of the Commonwealth—a security quite adequate to meet any liability in connexion with such an issue. We might adopt a plan which I understand is in operation in Canada, where the Government is not unduly liberal or democratic. There is a law there which compels private banks to hold a certain percentage of their cash reserve—40 per cent., I believe—in Treasury notes or Treasury paper.

Senator FRASER.—Dominion notes?

Senator TRENWITH.—It does not matter; the honorable senator knows that I am referring to the paper money of the Dominion of Canada, and whatever may be their proper name it is quite correct to call them Treasury notes or paper. By either of the means I have suggested we might effect a saving in interest of nearly £300,000 per annum. I think that if we were to adopt some reasonable scheme of a light land tax, general in its character, and without any exemption—taxing country lands as well as town lands; taxing the far-away back block, and the corner lot in the big city—we should

be able to raise an extremely useful and not insignificant fund. From these and other sources we might raise such a fund as would enable us in a few years to say that we had "taken our children out of pawn." One extremely important question touched on in His Excellency's speech has already been discussed by the Commonwealth Parliament. That is the question of the establishment of Courts of Compulsory Arbitration. Speaking for myself, and I think, voicing the general feeling of the people of the Commonwealth, I regard it as a matter for congratulation that we are to have a Federal law for the purpose of settling industrial disputes. Unfortunately, I think that to some extent our powers as a Commonwealth are limited in this connexion. It is very difficult to say definitely how great our powers are, but the language of the Constitution, so far as I remember it, is that we have power to provide Courts of Arbitration for the prevention and settlement of industrial disputes which extend beyond the borders of any one State. When we consider the first part of the provision, which gives power to institute courts for the prevention of industrial disputes, I am not sure that it is not possible to interpret it as giving us very much greater powers than some of those who are opposed to such legislation will admit. However, we undoubtedly have power to create Courts of Arbitration. There is a feeling which is becoming general throughout the world that nations ought to discontinue war—that it would be of immense advantage to the human family if some satisfactory and sufficient means of international arbitration were adopted. The feeling is growing with immense rapidity, and has amongst its supporters the leading thinkers as well as the leading philanthropists of the world.

Senator PULSFORD.—There has always been that feeling.

Senator TRENWITH.—I do not think that is quite correct, though I am glad to have my argument strengthened. At any rate it speaks very little for our intelligence and the advance of our civilization that for all this time we should have been seeking something we have not yet been able to accomplish.

Senator PULSFORD.—That is quite true.

Senator TRENWITH.—If it is true as the honorable senator says—and I do not contradict his statement—with reference to nations, is it not equally true with reference to the domestic relations of nations inside

their own borders? If it is, then this provision for compulsory arbitration ought to be welcomed by every lover of his country and of the human race. Yet there are not an inconsiderable number who are violently opposing any advance in this direction. We ought to congratulate ourselves on the fact that we shall have in a very few days an opportunity of dealing with this very important question. The necessity for this legislation, great as it has been at all times, is becoming greater every day. It is the same with nations. Armaments are being piled upon armaments; improved munitions of war are being created every day; armies are being increased, and the power to fight is becoming enormously augmented, with the result that the peace of the world is always in danger. But it is in danger to a greater extent than it was in times that are gone. The wars of the past were comparatively small things. When they occurred they were confined to a restricted area, and the combatants had not the power which they have now to inflict injury on non-combatants, that is, on nations not directly interested in the conflict. But now a war, when it occurs, is of such magnitude that the whole world feels the shock of it. Take the war which is raging between Russia and Japan. Already the whole civilized world has felt in some measure the shock of that war. The very first effect of it in Australia was a movement in the wheat market. That may, of course, be an advantage to some few persons, but it means that the cost of living of every man, woman, and child in the world has been affected. The possibility of living has been made more difficult because of this war which is raging between two nations. So far as their own interests are concerned, they have a right to do what they choose, but when their action, taken in their own interest, has the effect of injuring the rest of the civilized world, it becomes a reasonable consideration whether the civilized world has not a right to create conditions which will prevent such injury being inflicted upon them in the future. With reference to industrial disputes, the difficulty is growing in exactly the same way. Trades unionism is increasing, I am glad to say, with very great rapidity. Its numbers are being largely augmented, and its organization is being consolidated and perfected in a marvellous degree. On the other hand, combinations of employers, I am glad to say, are becoming more general, and their organization more extensive and complete, with the result that, as with

nations, there are standing over against each other enormous armies prepared to inflict upon the whole world a shock from which it would take a long time to recover, so in the industrial world there are immense armies being created on either side, at any time liable to be forced into action, disastrous to the community in which they are, by any spark of unreason. We have seen in our own limited experience very serious and alarming evidences of this fact. In the United Kingdom, as recently as seven years ago, there was a conflict of this character, from which it is questionable if it will ever recover. I refer to the conflict of 1897, in the engineering trade, when practically the whole of Great Britain's greatest industry was brought to a standstill, because the two parties differed as to the manner in which it should be conducted. It is justifiable for the people, whose lives are wrapped up in an industry, to have a difference of opinion with reference to its conduct; but, in view of the fact that they are not the only sufferers by its cessation, the whole community has a right to step in and say to the contending parties—"Whilst this is primarily your business, it is a business which, if conducted in a certain way, may lead to disputes which will cause injury to every citizen in the Empire, or a section of it; therefore, the Empire, as a whole, or the section of it in which you dwell, has a right to decide the means by which any issue shall be solved." This principle is being generally admitted, that is to say there is no argument against arbitration.

Senator MCGREGOR.—Wait until the honorable senator hears Senator Fraser.

Senator TRENWITH.—I do not think that even Senator Fraser will contend now that arbitration, *per se*, is not a good thing. But what some of those who say it is a good thing will urge is, that it should not be compulsory.

Senator FRASER.—Hear, hear.

Senator TRENWITH.—What they will urge is, "It is a good thing, but it should be voluntary; it is a good thing, but the good only should be those who practice it, that the bad, the wicked, the vicious, the inconsiderate, the callous, should be allowed to do as they like." Just apply that same reasoning to picking pockets. Is it not a splendid thing that people should abstain from picking pockets?

Senator FRASER.—They break the law if they do not.

Senator TRENWITH.—Decidedly, they break the law, but there was a time when

they did not break the law; there was a time when there was no law. Suppose we apply that argument to picking pockets.

Senator FRASER.—It is not applicable?

Senator TRENWITH.—What a splendid thing it would be if abstinence from picking pockets were general.

Senator Lt.-Col. NEILD.—But what about the people who do not wear pockets? There are whole nations that do not.

Senator TRENWITH.—Just now for the benefit of Senator Neild, I shall leave those people out of my consideration. I am dealing now with civilized communities who do wear pockets, and who when they are fortunate have something in them. I was pointing out that the people who urge that arbitration should be voluntary, although it is a good thing, will object to have the same principle applied to other good things. Senator Fraser has presented me with a living illustration of that fact. Now, I think that abstinence from picking pockets should be voluntary, and with all decent people it is voluntary, but that does not prevent us from making a law to punish people who are so indecent that they will not refrain from the habit. I think that arbitration ought to be voluntary. With all decent, considerate people it is voluntary, and there are many instances of voluntary arbitration that has produced excellent results. But if it is a good principle, it breaks down just where it is most required.

Senator FRASER.—That is where the trouble begins.

Senator TRENWITH.—Because with decent, considerate people on both sides there is very seldom, if ever, any difficulty of a character such as I have referred to. It is the people who are not willing to listen to reason, the people who think that if they are strong enough to make a claim, that justifies them in making the claim.

Senator GRAY.—Why do not the English unions agree to compulsory arbitration?

Senator TRENWITH.—The English unions agree with it more each day, or to be more strictly accurate, disagree with it less each day.

Senator GRAY.—Can the honorable senator prove that?

Senator TRENWITH.—Undoubtedly, but not at the moment. Any person who is acquainted with the literature of trades unionism in Great Britain knows that every year or thereabouts there is a Great British Parliament of trades unionists, and at each congress, as it is called, there is a larger minority, a nearer approach to a majority in

favour of compulsory arbitration. I remember the time when at the Parliament of labour in Victoria—the Trades Hall Council—the question was discussed. It is only about seventeen years ago. And out of all the members of that council I was the only one who was in favour of the principle. When a division was taken I was the only one against all the rest. I forget how many voted against me; but I venture to say now that that body is unanimously in favour of compulsory arbitration. And I have no hesitation in saying that in the very near future the trades unionists of Great Britain will also be unanimously in favour of it. Even now it is not so much that they oppose arbitration, but that they have not confidence in the courts, and this lack of confidence has been accentuated very recently by a very arbitrary and harsh application of the law to trades unions in Great Britain. Honorable senators will remember the Taff Vale Injunction case. I do not propose at this juncture to discuss the action taken in that case, but it furnishes a reason why the trades unionists of Great Britain have not the same confidence in their legal tribunals, and are not in support of compulsory arbitration to the same extent as the trades unionists of Australia, where, I am very proud to say, there is in every section of the community the most complete and profound confidence in our legal tribunals. I do not think that I need discuss this matter very much further, except to touch upon this point—and I feel sure it will be urged by Senator Fraser and others who think with him—that disputes between industrial powers, workmen, and employers, can, and ought to be, settled by public opinion. I know that that argument is continually used. I have no hesitation in saying, from an intimate knowledge of the working of industrial organizations, and from the circumstances surrounding industrial difficulties, that there is no adequate means available for properly educating public opinion. It follows, as a matter of course, that both sides to a dispute will in their own interests, and perhaps properly, conceal from the public gaze such facts as tell against their case, and exaggerate such facts as tell in favour of their case. Therefore the only means which the public have of arriving at an opinion is by a study of evidence presented by parties who are distinctly interested in deceiving them as to the exact facts of the case; whereas a court clothed with authority to probe the causes of a dispute to the fullest extent, and to elicit every detail

of information, would be capable of creating a public opinion. After all, in a community such as ours, so completely democratically governed, what is law but public opinion in the concrete—public opinion plus a policeman to give effect to it? That is what all law is. My honorable friend tells me that a man who picks a pocket is breaking the law, and therefore he should be properly punished, and it is right to make a law to punish him. If it is wrong to go to war in the public street, to injure all those immediately associated with the people at war, and to injure, in addition to them, all the community in connexion with it—if that is wrong, and I think that my friend will see that it is, then there ought to be a law to prevent it, as there is a law to prevent pocket-picking or to punish those who pick pockets.

Senator DOBSON.—The honorable senator does not carry his argument quite far enough.

Senator TRENWITH.—If the honorable and learned senator would point out how much further I should carry it I shall adopt his suggestion. I suppose that he proposes to contend that this war does not occur in the public streets. I have never known a strike that was not felt not only in the public streets but everywhere. Its influence extends through the whole community. Take the maritime strike. Can any one who remembers that strike say that there was a citizen in Australia who was not prejudicially affected by it? I do not think that anybody will say so. And yet public opinion was operating on that strike as vigorously as it could for many months before it was settled, and it was settled at a cost which it is quite impossible to calculate, but which I think is under-estimated at from one million to one million and a half. That was the cost of that great strike which unsettled industry, which prevented the wheels of progress from moving as they ought, which stopped the industrial machine from going round, and which caused untold misery to many thousands of the working people of this continent.

Senator DOBSON.—What was the cause of the strike?

Senator TRENWITH.—I have tried, and I intend to try, to deal with this question, as far as I can, altogether apart from either individuals or parties.

Senator GRAY.—Will compulsory arbitration prevent such strikes?

Senator TRENWITH.—I know what was the cause of the strike not being settled at once, and that was that there was no law

to compel these people to submit their dispute to a competent tribunal, and to abide by the result. I had the honour of sitting up all one night and trying to persuade one side to ask for a settlement of the dispute by mediation, and ultimately I succeeded in getting them to adopt my advice. But the other side, hearing that they were strong enough to win without regard to the question of whether their cause was right, refused to submit to mediation, and determined to fight to the bitter end, as they did. I may tell Senator Dobson that that conflict began with a demand, on the part of one side, which was conceded by the other side, after a very long period of fighting. There is another point of immense importance in this speech. It is contained in the paragraph referring to the bounteous harvest which our farmers have had, and the necessity of taking steps by bounties or otherwise to encourage and assist them to grow new products and find new markets. That is the cause which, I think, we ought to be very pleased to promote by every means in our power. In conjunction with it, is mentioned a fact that is moving the British Empire now to very great intellectual excitement. That is the question of preferential trade within the Empire. Honorable senators know that the late Colonial Secretary is carrying on a campaign—an intellectual crusade—in Great Britain, with a view of inducing that erstwhile free-trade country to adopt a system of modified protection. In order that we may know and may understand in some measure what it is that is creating the remarkable success that is attending this movement—

Senator Sir JOSIAH SYMON.—Mr. Chamberlain's party are losing seats every day!

Senator TRENWITH.—My honorable and learned friend is too well informed to think that that in any way indicates that this movement is not progressing. Remember that it is just starting. If Mr. Chamberlain's party had been winning seats it would have been an evidence that the fight was over, and that Mr. Chamberlain had won in the cause he had undertaken to advocate. It would be remarkable if at this stage he had been winning seats in a country that has been for sixty years standing before the world, holding itself aloft, so to speak, and saying—"Look at us! We have thrown open the door to every nation upon earth! Look at us! We are not afraid to compete with anybody! Free-trade is the policy we have adopted and under which we be-

lieve ourselves to be a nation that has been progressing." If Mr. Chamberlain's side had been winning seats, it would have been an indication that the fight was over.

Senator Sir JOSIAH SYMON.—Does not the honorable senator think that as Mr. Chamberlain's side is not winning seats the fight is over?

Senator TRENWITH.—No, I do not. The honorable and learned senator knows that if the members of the present British Cabinet went to the country to-morrow they would be beaten on the education question alone. He knows that that is the issue that is being fought out now, and that Mr. Chamberlain's campaign is merely in its infancy. It has not yet reached the stage that may be called the fighting stage. It is in the educational stage. But the fact that Mr. Chamberlain has been able in such a country as I have described to get, not hundreds, not thousands, but tens of thousands all over Great Britain to assemble in their numbers, and to applaud with immense enthusiasm what is to them an altogether new doctrine—

Senator Sir JOSIAH SYMON.—They applaud the fighter; British people love a fight.

Senator TRENWITH.—British people love a fight, so does the honorable and learned senator, and so do I. The British people are getting a fight in this connexion, and the issue is being fought hard on both sides. What I contend is that, considering all the circumstances, there has been a remarkable manifestation of approval of the scheme propounded by Mr. Chamberlain. In order that we may understand why that is so, it is only necessary briefly to review the history of Great Britain, and of some of her immediate competitors of to-day. Honorable senators know that England was formerly a protectionist country.

Senator Sir JOSIAH SYMON.—She is now the most prosperous country in the world.

Senator TRENWITH.—I am proud to think that that is so. But I venture also to say that England is not nearly so prosperous as she could be and ought to be. The fact is, however, that England was formerly a protectionist country. Not only was she a protectionist country, but she was the most protectionist country the world has ever known. She not only protected herself against industrial aggression from abroad by imposing duties on imports, but in order to keep in the raw material that was made up within her borders, she imposed duties on its export. Great Britain not only

protected herself on land, but she protected herself as no other nation has ever done on the sea. She subsidized her mercantile marine. Great Britain was the first country that ever, with any degree of success, commenced a policy of colonization. She planted around this immense globe colonies to such an extent that it has since been said that the sun never sets upon the British Empire. Having established markets in her colonies she determined not to run the risk of losing them. Having subsidized a mercantile marine to an extent such as no other nation has ever done, Great Britain made an edict that the goods which her colonies required from any other part of the world should not be taken to them on other than British ships. Having first of all created markets round the globe, to which streams of commerce would flow from other parts of the world, Great Britain then by legislation so protected her interests that these streams of commerce had to flow to the heart of the Empire.

Senator PEARCE.—Great Britain suffered from a bad circulation, until she took the ligatures off.

Senator TRENWITH.—The honorable senator will no doubt make an admirable speech when I have done, but I trust he will permit me to pursue my argument in my own way. Great Britain, I say, created for herself a great heart through which all these avenues of commerce had to flow, and she excelled and exceeded, not merely any other nations, but all the rest of the world together in the extent, the variety, and the magnitude of her productions.

Senator PULSFORD.—No, that is a very great mistake.

Senator TRENWITH.—Well, I have made many mistakes in my time, and that is perhaps one of them.

Senator MCGREGOR.—Senator Pulsford has a basketful of figures to prove the contrary.

Senator TRENWITH.—I have heard of the honorable senator and his figures before. They are very interesting and entertaining, and from his point of view very accurate. Sometimes they are very fallacious—not that they are incorrect, but that the honorable senator tries to prove something from them which they are never capable of proving. However, the point that I am dealing with now is the condition of Great Britain at the time she was protectionist. Remember that in 1798 England had reached such a stage of productive development that she exported £18,000,000 worth

of her products. From that time to 1815, as honorable members will recollect, the fortunes of France were controlled by the great Napoleon, who, led by his warlike spirit and his overweening ambition, to use a colonial phrase, “bailed up” the whole of Europe. Practically Great Britain during that period increased her exports from £18,000,000 to £42,000,000. And although in 1815 the Napoleonic wars had ended in consequence of the incarceration of Napoleon, Europe was still prostrate as the result of those wars. Its industries were disintegrated and disorganized. But England went on progressing until in 1845 she had increased her exports to £134,000,000. In the following year England adopted what was called free-trade. I will say to my honorable friend, who believes that free-trade is the correct policy, that it is one of those correct things that it is impossible to obtain. It is not possible to obtain free-trade in the civilized world. All that you can have is free imports on the one hand and restricted exports on the other hand. So that free-trade *per se*, however desirable a thing it may be, is impossible in the existing spirit and temper of the nations, and, being impossible, it is not worth contending for. But what I was showing was that England had, in the language of Cobden, become, during her protectionist days, “the workshop of the world.” That is what England was at the time she was protectionist. A German economist, Frederick Liszt, writing of England at that time, said—“England is a world in itself, more powerful and wealthy than all the rest of the world put together.” Now, in 1851, the English people held an exhibition. So proud were they of themselves and of their extraordinary and marvellous industrial conquest, that they said to the rest of the world—“Come and see what we have done.” The world came and saw and wondered. But its representatives went back and told the people of the countries whence they came what they had seen, and what were the possibilities of a similar policy for themselves, with the result that no other nation did adopt such a policy as Great Britain had adopted. What was Germany at that time? She was one of the poorest nations in Europe; a poor debtor country. In fact, not a nation, but, as some one has suggested, a number of petty principalities continually quarrelling among themselves. But in 1879 the great Bismarck—probably the greatest statesman the world has had at any time—

certainly one of them—introduced a scheme of efficient and complete protection; and since 1879—since the adoption of that policy—Germany has ceased to be a poor debtor country, and has become a creditor country to the extent of £1,000,000,000. At the same time she has improved the condition of the people, and the wages of the workers have increased fourfold; in addition to which Germany has borne a military burden that no other nation in the world has ever been called upon to carry, and has initiated and carried out a scheme of old-age and workmen's pensions by means of which her work-people have obtained over £120,000,000 since 1885. From being dependent, as she was formerly, upon the mercantile marine of other nations of the world—principally Great Britain—and having no ships of her own, or practically none, Germany now has ships of her own which are amongst the largest and fastest on the ocean. She has an export trade only second to that of Great Britain, whilst at the same time she has captured entirely her own internal trade. What has happened in reference to America, another of Great Britain's great and keen competitors? The United States between 1812 and 1861 was three times protectionist and three times free-trade, or semi-free-trade. But since 1861 she has been, practically, continuously and progressively protectionist. What has happened to her in that time? She has paid off to the bond-holders of England over £900,000,000; she has increased in population as no other nation in the world has ever increased; and she stands to-day as no other nation in the history of the world has stood, a great nation with practically no national debt. The people of England are looking on and witnessing these changes. A thing which struck me most forcibly when I was in England about six years ago was the appeals made on the advertising hoardings—"Buy from your own countrymen; do not patronize the foreigner." "Your own countrymen make goods as cheap and as good as the goods of the foreigner." Appeals of this kind were met with in every corner, and they came from the business people of England. The invasions of the foreigner had gone on to such an extent that if one were sitting on an omnibus riding from one part of London to another it was "odds on" that one had a foreigner sitting next to one and conversing in broken English. If one went into a counting-house it was "odds on" that the clerk who would attend

Senator Trenwith.

to one was a young German, instead of a young Englishman. The people of England have been suffering under and complaining about this kind of thing for years, and yet they have been declaring that free-trade is the proper policy for any country to pursue. They have been saying, "We believe in free-trade." But they have been saying it a little less emphatically lately.

Senator WALKER.—The honorable senator does not object to the Germans?

Senator TRENWITH.—No; but I like Britons better. If I have a predilection at all it is for my own countrymen. I am not saying that Britons are not sometimes stupid men, and they have been slumbering in regard to this question. But they are waking up now. Mr. Chamberlain is waking them up, and it is to their awakening that I attribute the fact that the movement which he has inaugurated is progressing in the way that it has done. Another point in the Governor-General's speech to which I would refer, is the allusion to the question of old-age pensions. We are told that the Government believe that financial arrangements may be made for taking over the States' debts, which may enable Federal legislation incorporating the principle of old-age pensions to be passed. If that can be done, it will not be done a minute too soon. The principle of old-age pensions has practically impregnated the whole of the Australian people. In two of the States, laws more or less effective, have been created for the consummation of that ideal, and in the other States such laws will be passed in the very near future, if something is not done by the Federation. But with the best possible intentions and with the most complete desire to recognise our obligations to the old people—to the men and women who came here in the early days, when there were no electric trams, no railways, no gas or electric light—but who came here and faced hardships, and subdued the wilderness—our present States laws do not go far enough. There are old people who have been so criminal as not to get rich; and that, I know, is an offence in the eyes of some. But the great bulk of the people of this community, who have spent the best of their life's energy in making the country so delightful to live in as it is to us, are people to whom we are under a debt. Although the States which have passed old-age pensions laws were compelled to make some provision against imposition, as far as they, as States, were concerned, yet it is a fact that there is a time limit fixed

during which the applicant for a pension must have resided within the State in which his claim is made. Now, it happens that some of the most industrious and adventurous and useful citizens of Australia were men who were led by their enterprise to seek new fields of industry. Consequently they flitted from point to point over this continent. But they were always Australians, and were always building up Australia, though they never remained long enough in any one of the States of the Commonwealth to become entitled to an old-age pension. Until a Federal law is passed, it will be quite impossible, adequately, to give consideration to these people who have rendered to the country most valuable service. Under present conditions, they are too often left to die of want, because they are old and poor. I want to refer to another matter which has given cause for some criticism. The Commonwealth Government, I am pleased to say, has sent a message from Australia to South Africa. For this I personally thank the Government, and I think the people of the Commonwealth ought also to feel grateful that such a step has been taken. To that message the Commonwealth Government have received a reply which, so far as we know, amounts to "Mind your own business." Some of our citizens have congratulated themselves on the fact that South Africa had the wisdom to send such a message; but I venture to express the opinion that when we sent the message we were "minding our own business." We have business in South Africa. We have vested interests in South Africa. We expended treasure and blood there. For what? I do not now propose to comment on the wisdom or unwisdom of our participation in the South African war. We did participate in it, and we sent there some of the flower of our manhood, whose blood now stains the plains of that country. We thought that we were doing this to improve the position of British people in South Africa. Will the position of British people in South Africa be improved if aliens are to be allowed to carry on work which should be open to Britishers and Australians—open to the British people, of whom Australians form a part? Will our interests in British industries be conserved if these industries are invaded by a system of slavery from China? I think not, and, therefore, in my opinion, we ought to congratulate the Commonwealth Government on sending the message which they did to South Africa, and

I earnestly hope that that message will have full effect. The feeling which exists in Great Britain, South Africa, Australia, and, I believe, in Canada and throughout the Empire, is that the proposed system is baneful and iniquitous, and I believe that the expression of that feeling will have effect, and that we may hope even yet that this threatened invasion will not take place. In any case, I congratulate the Commonwealth Government upon sending the message, and, if need be, I should be glad if they would send another, impressing on our fellow countrymen in South Africa that their interests and ours are in this connexion identical—that we feel, in their interests, as well as in our own, that the warning we sent, dictated by our own experience, is one that should be received with consideration and respect. The paragraph in His Excellency's speech which refers to the Federal Capital says, so far as I remember, that the question has been advanced by the discussions which have taken place, and that its early settlement is a matter of great urgency, or something to that effect. I agree entirely with the latter portion of the sentence, namely, that the early settlement of the question is a matter of great urgency. I do not agree with a great deal of what has been stated in the press. My experience is that, except in the press, there is very little feeling against the establishment of the Federal Capital. It has been urged, in the press mainly, but the contention is altogether baseless, that it would be undue and unnecessary extravagance to establish a Federal Capital in the near future. My view, first of all, is that we must have a Federal Capital in the not very distant future. That is a matter of necessity, because it is quite intolerable that the great Parliament of Australia should be a tenant at will; such a position is quite inconsistent with the dignity, safety, and proper government of the Commonwealth.

Senator WALKER.—And quite inconsistent with the Constitution.

Senator TRENWITH.—The Constitution on this point is elastic, and therefore the position may not be unconstitutional; but I have no hesitation in declaring that the present circumstances are dangerous to the Constitution. The establishment of a Federal Capital would not be extravagance, but economy. At present we are pursuing an extremely extravagant course in continuing, if we do so unnecessarily—though I do not say that stage has been reached—the capital, or seat of government

where it is. I know that some Victorians will say that such an utterance is unpatriotic on my part; but I felt before I had the honour of being elected to this House, and I now feel, that the true patriot in this land of the Southern Cross is he who recognises first that he is an Australian, and not merely a citizen of any State. What I urge is that we are pursuing an extravagant course in remaining where we are. Around the seat of government there grow institutions which must necessarily increase very greatly. At the same time public offices arise, and above all there are important national documents to be preserved. These documents accumulate with great rapidity, and it is all-important, if the history of the country ever has to be written—if reliable and complete sources of information for future legislation are always to be available—that those documents should at once be placed beyond the possibility of danger. Whatever has to be shifted from place to place is always in some jeopardy; and from that point of view alone it is unwise and injudicious to continue longer than we must the present *locale* of the Federal Parliament. In addition, we have to remember that public buildings are being set aside for our use. It is true that for some of these buildings we only pay rent, and have no obligation beyond the term of our contract. Honorable senators know, however, that such an occupancy must be financially disadvantageous, seeing that such kind of tenure necessarily involves higher rent. There are other public buildings which have been erected entirely for our use, and whatever legal liability we may have, we are undoubtedly under an obligation in connexion therewith. On the other hand, we might fix the capital in some new unsettled district. I may here say that at present I favour Bombala, though I do not pretend to have sufficient information to give that as my definite and irrevocable decision. It would be unfair, if not dishonest, for me to adopt such an attitude now. I must obtain further information before I finally decide. At present, however, my view is that Bombala is the most suitable site; and we may suppose that in that district we acquire 200 square miles.

Senator WALKER.—How does the honorable senator propose to acquire that area?

Senator TRENWITH.—I confess I do not know how, but I think it is possible to acquire such an area in a country so extremely good, with an excellent climate, and

magnificent water supply. If 200 square miles were acquired and surveyed at once into suitable lots for comparatively close settlement by suitable applicants, to be approved, these might be granted possession at once for five years for nothing, subject to the condition that they must live there and work and improve the land. It would take probably five years, or thereabouts, to erect the necessary buildings for the Parliament and other departments, and by that time the district would have been so highly improved that a fair rental from those who had been in occupancy during the period I mention, would realize a substantial revenue. I think it within the mark to say that the land would be worth at least 10s. per acre per annum; and will anybody contend that such a settlement would not be good for Australia, apart altogether from any considerations, in connexion with the Federal Parliament? A settlement of the kind would create decentralization, in an age when we are all complaining of centralization as one of the greatest evils. We should create another centre of population, with the additional advantage of another port; and all who know anything of commerce or the development of nations, are aware that those countries with the greatest number of accessible and safe ports occupy the strongest position. If this suggestion were carried out we should create a continuous and thrifty settlement, which would give a revenue of at least £60,000 per annum, that would go a long way to meet the interest on the cost of creating the Federal Capital. However, I have spoken already at undue length, although on matters in which I am deeply interested, and which I hope are of sufficient importance to justify the time I have occupied. I desire now to thank honorable members for the hearty and graceful manner in which they have received me, and for the close attention and great patience with which they have listened to what has been necessarily a somewhat dry and uninteresting address. I can assure honorable senators that I am extremely proud to be a member of this august Chamber. While I cannot hope to add lustre to this body, I shall consider it my duty, as it will always be my pleasure, to endeavour to extend the great prestige it has already attained, and to uphold by every means in my power the dignity with which it has clothed itself.

Senator MULCAHY (Tasmania).—Mr. President, I have the honour to second the

motion proposed by Senator Trenwith, whom I claim, with some degree of pride, to be, as I am, a Tasmanian. The honorable senator has likened the address of His Excellency to a bill of fare, and I think the simile rather good. It is a bill of fare containing a large number of political viands, which I think we are somewhat prematurely discussing. It is rather like discussing the quality of the turkey by looking at the menu card. No doubt it is pleasant to be promised roast turkey, but when the dish is produced we may find it seasoned to suit another palate, and thus rendered a little obnoxious to ourselves. However, I see many things in the address of His Excellency to which I can give my support. One of the first questions dealt with is that which has been so very well referred to by Senator Trenwith, the question of the States finances. He pointed out what all who have seriously considered the matter know full well, that the financial position of the States at the present time is somewhat serious. We have to look forward, possibly for some time, to a continuation of depression, while our responsibility with regard to the large indebtedness which has been heaped up by the States remains constant. Senator Trenwith has pointed out that this indebtedness involves sending something like £16,000,000 per annum out of the States, though I think his figures are rather larger than the actual amount.

Senator TRENWITH.—I was speaking of private and public debts.

Senator MULCAHY.—At any rate, the figures are sufficiently large to justify our regarding them very seriously. At the same time, it has been asked by way of interjection what we should have done in the States but for the fact that we were able to borrow money for the purposes of developing our great resources; and it is also asked why some of the responsibility should not be handed on to our children. We should not mortgage the whole assets of the State, but we might leave our children to bear a small share of the burden. Why should we give up our magnificent railway system—which, taken as a whole, practically pays, at any rate, in good times—without asking our children and their children to bear some portion of the original cost of construction. I earnestly hope that we may cease borrowing, or that, at any rate, our future borrowing will be largely decreased. I hope that the Commonwealth Parliament or Commonwealth Government will, so far as the Constitution allows,

discourage borrowing by the individual States. Let us at once look the matter straight in the face, and acknowledge to ourselves that if this great country is to progress or to have its resources developed, we shall have to do it with our own money. That of course will mean extra taxation of, I hope, a direct character, in which we shall all have to bear a share. One of the first statements in His Excellency's address, of which I strongly approve, is that a proposal will be submitted for a uniform system of old-age pensions throughout the Commonwealth. I have always supported old-age pensions as an institution which ought to mark every country professing Christian principles. It has frequently pained men on visiting invalid institutions in Tasmania and elsewhere to find people as good as you or I, Mr. President—people who have lived good lives, and whose only fault often has been that they have not been able to earn enough to save; people of education and refinement, whose position is the result of misfortune—compelled to consort with others whose position is entirely due to their own fault. We should try to discriminate and to put those who are respectable in a respectable position. While recognising the obligation to support and feed all who are unable to maintain themselves in their old age, we should enable poor old couples to live in comfort, and not separate them as they are separated in some of the States. We ought to provide a general scheme of old-age pensions for the Commonwealth, but I shall support the measure, which I suppose must come from another place, only on the condition that there is a specific tax to provide the necessary money. I have had some experience of a not very pleasurable kind in regard to direct taxation. As possibly some honorable senators are aware, Tasmania was placed in somewhat serious difficulties owing to the changes caused by Federation, and the incidence of the Customs Tariff, which involved a loss of something like £154,000 per annum. The Government of the State, in order to straighten the finances, were forced to impose direct taxation, and after exceeding difficulty they succeeded; but at the cost of their bills. I am prepared to succeed again at the same cost in pursuance of a great principle. In every address to my constituents, I declared strongly in favour of old-age pensions. I told

them that I shall insist on knowing what the pensions are to cost; because I am confident that when they have that information they will take care that the money is not misspent or squandered, but is devoted to the poor people who are entitled to support.

Senator MCGREGOR.—Every one who is aged is entitled to a pension.

Senator MULCAHY.—I have admitted that principle, but I do not think that all poor people are entitled to a pension in the same degree. All are entitled to enough to support them, but some are entitled to a comfortable and respectable living. Of course, there are persons on whom we cannot confer respectability. I suppose that one of the most important matters referred to in the speech is that of preferential trade. It seems that even in Australia the same position exists as obtains in Great Britain, where the question has not got beyond the region of talk. Another extraordinary thing is that the vague relationship of the British Government to this vague proposal is reflected in the Commonwealth. We have no intimation of a definite proposal in the opening speech. We are going to wait, apparently, for something to turn up. I do not think that that is the way in which responsible government should be conducted.

Senator Sir JOSIAH SYMON.—We want Mr. Chamberlain to come here and turn it up for us.

Senator MULCAHY.—He is doing something like that at home. I wish to avow myself at once a protectionist and a strong supporter of the principle of preferential trade. I do not believe in prohibition, but in common-sense protection. We should not attempt to develop artificially that which Nature has not designed us to produce. If the Tariff had differentiated between goods produced by British manufacturers and foreign goods, I think that the people of Australia would have found no fault with it. At any rate, if I had been here I should have supported discriminating duties. I ask honorable senators—Is it not a proper thing to encourage Australia to deal with its kith and kin in preference to other nationalities? Do we not import an enormous quantity of goods from Europe and America, which are procurable in Great Britain? And is it unreasonable that we should be asked to give a moderate preference to our own people. That seems to me to be what we are asked to do. What we are promised

in return so far as any definite statement has yet appeared, is that some preference shall be shown to our exports in the shape of food products and raw materials over those from other countries. I dare say that many honorable senators are better acquainted than I am with the diversion of British trade which has taken place under free-trade, especially during the last fifteen or twenty years. I have been coming to Melbourne occasionally for some twenty or twenty-five years as a merchant in a small way to purchase necessary supplies in Flinders-lane. Some fifteen or twenty years ago, if I went into a softgoods warehouse, I would find only an occasional piece of American calico or American ticking; but on returning to business after a few years' retirement, what do I find now? I go down into a department which once was sacred to goods from Manchester, and see a piece of stuff which has been imported from London, ticketed "Made in Belgium" or "Made in Holland."

Senator PEARCE.—England makes more now than it ever did.

Senator MULCAHY.—I am not disputing that statement. The question is whether England makes as much as she ought to make?

Senator TRENWITH.—She used to make everything.

Senator Sir JOSIAH SYMON.—For a much smaller world.

Senator MULCAHY.—I am speaking of a class of goods of which I know a little. At one time it was very exceptional indeed to find in a Manchester department an article which had not come from Manchester, or from some part of England associated with Manchester. But now you find a great deal of your Manchester goods labelled "Made in Belgium," or Germany, or Holland. You find your West of England tweeds made in Germany—English calicoes as sold in the retail shops, not only here, but elsewhere, often come from America. What is unreasonable in our being asked to give such a little preference as might divert the trade of Australia in many of these articles back to the old country? It seems to me that there is nothing unreasonable, or even arguable, about this proposal. The way in which it should be done is another matter. The question constantly asked on our side of the water has been—How are you going to give this preference? The free-traders replied—"Oh, reduce the duties on British goods," while the protectionist would advocate an increase

of the duties on foreign goods. I think we should use our discretion, and do both according to circumstances. For example, I shall refer to one class of goods on which a low rate is levied—that is cotton piece goods. I have not been able to get the exact figures, but I find that we imported during 1902 approximately about £2,250,000 worth, which came in under a 5 per cent. duty.

Senator MCGREGOR.—But that is not a protective duty.

Senator MULCAHY.—I am aware that it is not; my argument is that we cannot afford to reduce that duty. It was imposed, I assume, for the purpose of raising revenue; and I believe that the people would not have suffered very much if a higher duty had been imposed. If you wish to give a preference in that line to Great Britain your proper plan, I think, would be to increase the duty on foreign-made articles. On the other hand, where you have imposed an excessive duty on, say, men's hats, you can exercise your discretion in the other way. If a customer wishes to wear an Italian fur hat let him pay the 35 per cent. duty, or what ever it happens to be. We know that the cost of importing such articles is very high, but if people will prefer to wear them let them pay for them; but give them an inducement to wear an English hat. I should strongly recommend, if the matter ever came before the Senate in a definite shape, that we should in such cases reduce the duty. The underlying principle of preferential trade is protection.

Senator WALKER.—That is true.

Senator MULCAHY.—It is protection for the Empire as distinct from protection merely for the Commonwealth. It means an inducement to British people to consume British-manufactured goods. The first instalment of this principle was adopted by the British Parliament when the Merchandise Marks Act was passed. Under the provisions of that Act the people of Great Britain were invited, not directly, but indirectly, to purchase the goods of their fellow-countrymen. It is a reasonable and proper invitation to give, and it is one which we might accept in a national spirit. I am very glad that there is no indication that the fiscal question is to be re-opened. I am strongly of the opinion that, if there is one question more than another on which we ought to have a fixed policy, it is the fiscal question. If the free-trade party had succeeded in establishing free-trade, or something like free-trade, I

say, candidly, that I should not have tried to get the Tariff altered. It is a most mischievous thing to tinker with the Tariff. I do not claim for a moment, that it is perfect, because I think that a very much better and simpler one could have been devised, but it has been passed, and its provisions are beginning to be understood. Then we have a reference to the establishment of an Agricultural Bureau, and the speedier and cheaper transportation of meat, butter, and fruit to large centres of population. I represent a State which is largely agricultural and horticultural, and, naturally, I agree very strongly with that paragraph. I think that we all ought to be pleased that the Government have announced their intention to do something to encourage immigration. In Tasmania we are doing our best to increase the population, and we are succeeding in our efforts. But, undoubtedly, we feel the need of fresh blood as badly as any part of the Commonwealth. I came to Tasmania as an immigrant, with my father and mother, a great many years ago. My earliest recollections are associated with the arrival of immigrants from the old country—splendid people, who were very largely assisted by their own friends, under the bounty system, and who became excellent colonists. I remember that a great many other persons came out at that time, because there was work for them to do when they arrived. In a great many cases they came out under engagement, but, in our wisdom, we have passed an Act which does not allow a man to come in under contract. That legislation has, I think, been proved to be a very grave mistake. I believe it was copied from the statute-book of the United States. I think that we should pause before we copy any United States law, because our circumstances are not on all-fours with those of that country. The people of the United States are a sovereign nation. We are not a sovereign nation. We may be, and, I hope, will be a sovereign nation, but we are not yet. America, as a sovereign power have a national right to say to people, "you shall not come in here under contract to work." I do not know why it was necessary for America to adopt that law. It did not, however, make the same difference to that country as it does to the Commonwealth. She is only 3,000 miles from Europe, whereas we are 13,000 miles, and if she chooses to select her immigrants—

Senator DE LARGIE.—Why should we not select ours too?

Senator DAWSON.—Did not the Royal Commission in England recommend the adoption of the Australian law so far as England was concerned?

Senator MULCAHY.—Even an Irishman cannot answer several questions at once. We have decreed that men coming into the Commonwealth under contract to work shall not be allowed to land. If the late Prime Minister had blocked the six hatters from coming in, as he should have done in order to carry out the law—though I admit that he had a discretion—we should have very soon awakened to the fact that we had made a most important mistake, and the probability is that that Act would have been amended.

Senator PEARCE.—Those men came in under the law.

Senator MULCAHY.—Yes, because the law gave to one man a discretion which no one man should be left to exercise. No Minister should be able to say to a person coming ashore to work for an employer, especially to a fellow-countryman—"Go back, we shall not take you."

Senator PEARCE.—They do not say that; they say—"Come in free and as many as you like."

Senator MULCAHY.—How many men will be able to come in free when they have 13,000 miles of water to cross? How many men will bring their families to these shores unless they are sure of getting work here? If you want to keep up the standard of wages and living, by all means do so by association, and as far as legal enactment will enable it to be done, but do not keep out in this indirect way people whom we want here very badly.

Senator PEARCE.—Can the honorable senator cite the case of one man who has been kept out?

Senator MULCAHY.—How can I do that? The fact that the six hatters were "bailed up" has no doubt hindered men from getting persons to come out.

Senator DAWSON.—Over 20,000 persons have come since without challenge.

Senator MULCAHY.—By all means, let them come in. It is our desire to encourage them to come, but I ask Senator Dawson whether, if he were in the old country, he would not be more likely to come to Australia, and bring his family, if he were sure of getting employment here?

Senator DAWSON.—I should not come here with my heels hobbled.

Senator MULCAHY.—There are many people without their heels hobbled, and

many people who have no boots to wear who would make good colonists. There are many men, of my acquaintance, who are splendid colonists to-day who came to the Australian colonies practically without a boot for their feet.

Senator PEARCE.—Such persons are welcome to come.

Senator MULCAHY.—Let them come. So long as they are honest, muscular people, we want them. We have here an immense continent with only 4,000,000 inhabitants, and yet we are enacting legislation to keep out our own countrymen.

Senator PLAYFORD.—Only those under contract.

Senator MULCAHY.—I am aware of that, but that is what I object to.

Senator PEARCE.—That is the sort of quibble that keeps them out.

Senator DE LARGIE.—The honorable senator wants to bring in "scabs" and "blacklegs."

The PRESIDENT.—Order!

Senator MULCAHY.—I do not think Senator de Largie is justified in putting that interpretation upon my remarks. I have, in my time, brought men out from home, paid their passages, and engaged them under standard wages. I am not such a large employer of labour to-day as I was at one time, but I have brought men out under those conditions, and why should I not? What is the objection to it? They have come out as I have said—I have established that—to work for the standard rate of wages, and what right has any one to stop them?

Senator PLAYFORD.—We never should have stopped them if the system had worked in that way in the past. But it has not worked in that way, and they have come out to work for lower than the standard wages.

Senator MULCAHY.—First of all, the six hatters were not stopped, and then they were stopped.

Senator PEARCE.—They were stopped until they complied with the Act.

Senator MULCAHY.—They were stopped until the Prime Minister saw that public feeling was against him, and then they were admitted upon a hollow pretext, as we all know.

Senator MCGREGOR.—When they complied with the law.

Senator PLAYFORD.—I thought that the matter of the six hatters was dead by this time.

Senator DAWSON.—The honorable senator believes in free-trade in contract labour.

Senator MULCAHY.—I do not believe in free-trade in labour or in anything else. I do not believe in unrestricted competition.

Senator FINDLEY.—Why not encourage the colonial article? There are any number of men walking about the streets unemployed.

Senator MULCAHY.—We are encouraging the local workman. I come now to the question of conciliation and arbitration, and here, again, we have rather a delicate subject. I have given my pledge to support a measure of conciliation and arbitration, and a compulsory one, too, when brought before the Senate under the Constitution under which we are working. Under the Constitution, as Senator Trenwith has stated, we are empowered to make enactments for the prevention of or the settlement of industrial disputes which assume a national magnitude. The language of the Constitution in that section has been very carefully chosen. I am not a lawyer, but perhaps some of my honorable friends who are lawyers will bear me out in the opinion that by that section we are very carefully excluded from meddling with compulsory arbitration in the States. But if we are to do what it appears to me it is obligatory upon us to do at some time or another, inasmuch as this is one of the thirty-nine articles, and it is therefore contemplated that we shall legislate on the subject in due course, a rather interesting question at once arises. There is a great deal of feeling in all the States as to whether we should include State employes under the provisions of the Act it is proposed to pass. A very nice point has presented itself to my mind, and I commend it to honorable senators who are constitutional authorities, and who give time to the study of constitutional matters. It seems to me doubtful whether we have any right to specifically exclude any class from the benefits of our legislation.

Senator GUTHRIE.—Hear, hear. So long as they are engaged in an industrial occupation.

Senator MULCAHY.—The question is what is an industrial occupation? The Constitution is silent upon the point; and therefore I take it that we are at liberty to put the widest possible interpretation upon it. Can we, in legislating here, specifically exclude employes of the Railway Departments of the States? For instance, a dispute of a serious character may easily extend to the

employes of neighbouring States such as Victoria and New South Wales.

Senator DOBSON.—There will be a nice row if we do not exclude them.

Senator MULCAHY.—I am not giving an opinion at the present time as to whether we should or should not exclude them. It seems to me that we shall land the States in somewhat serious difficulties if we include them, but I think it is a doubtful point whether we have any constitutional right to legislate for a section only of the people. If the railway employes and the civil servants of a State constitute themselves into societies and organizations, and fraternise with similar organizations in other States, it is very doubtful whether we have the right to say to these people—"We shall legislate to provide for the settlements of large disputes amongst private persons, but you shall not be allowed to take advantage of that legislation." We shall hear more of this question, inasmuch as I understand the Bill is in print, and probably will be shortly before us. Another question which I think must be handled very carefully is that relating to navigation and shipping. I have not yet seen the Bill, and I do not know what is proposed with regard to the coasting trade, but it may become a rather serious matter to a State like Tasmania, which is a small island, and which depends for its communication upon the boats running between Hobart and Launceston and the mainland. If we are not to be allowed the use of British boats, such as the P. and O. and Orient boats, or other boats coming from outside, in carrying produce from Hobart, Launceston, and the North-West Coast to Melbourne and Sydney, it seems to me that serious injury may be done to Tasmania. We are developing a large and important trade by means of these British boats. We must be very watchful of that trade. There are indications that it is going to be very much larger in the future. As the trade expands and our production increases, prices will go down, and we shall require to watch the economies of the business, and to see that we agree to no legislation which may place us in the position of having an article upon our hands for which we can find no market. This means a very great deal to Tasmania. Her export of fruit has grown marvellously in the last few years. It is extending every year, and this year we will send to the home markets half-a-million cases of fruit.

Senator MCGREGOR.—The Navigation Act will not interfere with that.

Senator MULCAHY.—If it interferes with boats calling at Launceston or Hobart it will interfere with it.

Senator MCGREGOR.—How will it interfere?

Senator MULCAHY.—It may or may not. I have not yet seen the Bill. I am speaking in the light of what I have read upon the subject, and it seems to be that there might possibly be some trouble. The matter is one to which I am sure honorable senators will give serious attention. I hope that honorable senators of the Labour Party will allow me to differ from them once again, as I see that the question of the mail contract is under consideration. I think that no member of the Ministry, and possibly very few members of the Senate, are in a better position than the Postmaster-General to judge of the difficulties which may be raised for commercial men and the public generally if we do not have a regular, frequent, and punctual mail service. I do not know what project the Postmaster-General has in view, but I frankly say that I do not agree with the idea of excluding coloured men from the stokeholds of mail vessels. I am strongly in favour of a white Australia, in so far as it means that we shall prevent Japanese, Chinese, and undesirable races generally from living with us. The justification for that policy in my eyes is the desire we have to preserve the purity of the race. We are taking up a large contract when we say that no one having a coloured skin shall live in Australia; but when we go further and say that he shall not live in Australia or any where else, so far as we are concerned, we are taking a little too much upon ourselves.

Senator DAWSON.—We do not say that.

Senator MULCAHY.—We say that we shall not allow British ships to come here with British subjects on board.

Senator MCGREGOR.—We never said anything of the kind.

Senator MULCAHY.—We say that we shall not allow them to carry mails.

Senator MCGREGOR.—No; we shall not subsidize steamers on which coloured labour is employed for the carriage of mails.

Senator MULCAHY.—That amounts to the same thing. There are different ways of choking a dog—if I may be permitted to use a common simile.

Senator PEARCE.—We are only saying what Germany and America have said.

Senator MULCAHY.—And America! America again.

Senator DE LARGIE.—You are an admirer of Germany, are you not?

Senator MULCAHY.—I am not a great admirer of Germany. Coming to another matter, I find that, as part of the scheme for encouraging industries amongst us, one of the most important measures proposed is that for the encouragement of the iron industry. This is a matter of peculiar importance to Tasmania, because I believe we have there the best iron mine in the States.

Senator DAWSON.—No; we have it in Queensland.

Senator MULCAHY.—We have there from 24,000,000 tons to 25,000,000 tons of iron ore within ten miles of a port.

Senator DAWSON.—We have 50,000,000 tons in one mine in Queensland.

Senator MULCAHY.—I am glad to hear it. The development of an industry of this kind is a most important matter, and I am sure that when this Bill comes before us it will receive fair consideration. I do not know whether honorable senators have ever taken the trouble to look at any of the figures in connexion with this matter. I find that in the last five years, in rough iron, the first products of iron smelters and mills—pig iron, bar and rod iron, plate and sheet iron, and steel rails—we have made importations to the value of £6,000,000, and taking all iron manufactures, we have imported to the value of £11,750,000 in the same time. In addition, we have imported machinery of a total value of £8,750,000. We can easily imagine, though we cannot calculate it to a nicety, the enormous amount of employment which the production and manufacture of even the pig, rod, bar, plate, and sheet iron and rails would give to the citizens of the Commonwealth. I hope we shall see that production brought about in our time; but whether it is to be brought about by increased duties or bonuses, or a combination of both, remains to be seen. The matter is one which every honorable member, be he free-trader or protectionist, will fairly consider. I should like to say a word or two about the Federal Capital if I am not trespassing too much on the patience of honorable senators. It seems to me that there is a common-sense aspect of the question. A number of people in Tasmania are very much afraid that the immediate selection of a capital site will at once result in a tremendous and extravagant expenditure of money. I see no occasion for that at all. It seems to me to be but common sense that if we are entitled to

get 100 square miles of territory for nothing in the best part of New South Wales, the sooner we take it the better. That should go without saying. There is an obligation upon us—and I think it is one of the blots of the Constitution, much greater than the Braddon blot, inasmuch as it hands down for all time an evidence of provincialism and parochialism—that the site of the capital of the Commonwealth shall be in New South Wales; and there is an obligation upon the New South Wales Government to give us 100 square miles of territory for the purpose.

Senator MCGREGOR.—Only if it is Crown land.

Senator MULCAHY.—We are entitled to 100 square miles, and if we are not altogether fools we shall take it while we have widest choice. We should make the selection with a view of suiting, not a particular State, but the whole of the States. We should select a site which will be convenient, and I hope it will be a site which will be suitable, not merely as a centre of politics, as a place of residence for the Governor-General, Ministers, and officers of the Commonwealth, but also as a centre of industrial activity and commerce.

Senator DAWSON.—That is Tumut.

Senator MULCAHY.—I am not going to say where the Federal Capital should be located. A first consideration must be that it shall be easy of access. It should be surrounded by a good producing country, and it must not be too far away from the sea. Like the honorable senator who preceded me, I have a perfectly open mind upon this question; but I think we should, so far as is practicable, choose a territory in which another large city can with advantage be built.

Senator STYLES.—If we can find such a place.

Senator MULCAHY.—With the experience gained even in Tasmania we can look upon this matter as business men, and we need not borrow a solitary pound to expend upon the capital. Whether we adopt a system of perpetual leasing, or whether we sell the land—and I hope we shall not do so—we know from our experience that property is enormously enhanced in value by settlement. An instance of this occurred on the west coast of Tasmania, which honorable senators will pardon me for mentioning. Only seven years ago, at a little place on the west coast of Tasmania, the fee-simple of land could be obtained for £1 per acre. The Mount

Lyell Company and the Government agreed that this would be a good site for a town, and it was selected as the site of the small town of Queenstown, with the result that land which a few weeks before could have been procured at £1 per acre became enhanced in value until it realized £2,000 per acre. That is what occurred at a small and possibly temporary mining township, and what is likely to happen in the case of a town which will become the seat of government and the capital of the Commonwealth? There will, undoubtedly, be an enormous enhancement in the value of the land. People will be anxious to secure corner blocks. If we are wise, we shall first select the capital site, have it surveyed, and make proper provision for public institutions, railway station, parks, reserves, and things of that kind, and then, whether by a system of perpetual leasing with recurring assessments of rental, or by sale, we can proceed to realize upon the property, but not too rapidly. We should let it grow, and should not attempt to build a city in one day. We should remember the adage that "Rome was not built in a day."

Senator FINDLEY.—There must be no jerry-building.

Senator MULCAHY.—Certainly not, and I hope we shall not borrow money for the purpose of building the capital.

Senator PLAYFORD.—The capital will not grow until we erect the Government offices. Where are we to get the money for them?

Senator MULCAHY.—That is one of the difficulties which will probably face the honorable senator; but I am not called upon to deal with it just now.

Senator PLAYFORD.—The honorable senator has said it will cost nothing, and I do not see how we are to put up these buildings until we know where the money is to come from.

Senator MULCAHY.—I thank honorable senators for the kindly reception they have given me, and, judging by their interjections, for the evident attention with which they have followed some of my remarks. I should like, before concluding, to make my position clear. I have been accorded the honour of being asked to second the Address in Reply, and the seconder of the Address in Reply is usually considered to have associated himself with the Government, and to be a supporter of the Government. I have come into the Senate as a purely independent member. I have an idea that party politics should be relegated to another

atmosphere. Whatever virtues they have, there is plenty of scope for their exhibition elsewhere. It seems to me that a member of the Senate, at any rate, ought not to ally himself with any party, but should be prepared to deal with measures on their merits. That is what I have promised to my constituents, and what I intend to do. I am with the Ministry in their fiscal policy. They are protectionists, and I am a protectionist. But in other matters I reserve to myself the right to deal independently with measures introduced by the Government, and I will, as I am sure all other honorable senators will do, exercise the best intelligence which has been given to me for the good of the Commonwealth first and of the State which I represent afterwards. There in a final paragraph of the speech which the Governor-General read to us yesterday which refers to his hope that our deliberations may be blessed with Divine guidance. I know that that is a matter which is not at all contentious. I trust that that is what will follow from the prayer of His Excellency, and that our deliberations will result in legislation for the benefit of the whole of Australia—"Each for all and all for each."

Senator Lt.-Col. NEILD (New South Wales).—I think that the Senate is to be congratulated on the accession to our membership of the two honorable senators who have just addressed themselves to the motion before the Chair. In saying that I do not overlook the fact that the honorable senator who moved the motion dealt with some questions which seemed to me to be more questions of State than of Federal politics. I do not think, for instance, that we shall find, for some little time to come, that the question of water conservation—in respect to which I beg to express entire agreement with the honorable senator's views—will be one with which this Senate or the Federal Parliament will have any right of interference. The honorable senator also indulged in a mild jeremiad on the subject of State indebtedness. I suppose that we all deplore the extent of the indebtedness of the States, and even of the private indebtedness that exists in the Commonwealth. But that, again, is a question which, though important, is not yet within the range of Federal politics; though I freely admit my honorable friend's justification for mentioning it, in view of the third and fourth paragraphs of the Governor-General's address. At the same time I would point out that all that the third paragraph of the

speech indicates is that the recent Conference of States Treasurers has shown that there is a better understanding of the difficulties surrounding these subjects. I say without hesitation that even if another meeting of Ministers from the different States takes place, however important it may be, the result unquestionably will not be an agreement with reference to taking over the indebtedness of the States by the Commonwealth. Most undoubtedly some of the States will entirely repudiate any desire to augment the powers of the Commonwealth in view of the legislation which has been enacted and the absence of legislation on other subjects. I do not think we shall do very much more than beat the air by discussing the question of taking over the States debts at this stage. Then there is a paragraph to which importance has been attached with reference to a Federal system of old-age pensions as a possible outcome of the taking over of the States indebtedness. I hope that a system of Commonwealth old-age pensions will be established quite irrespective of the transfer of States debts. I trust that the Commonwealth will insist upon such a scheme being inaugurated on its own merits. The Senate last session unanimously passed a motion which I had the honour to move in favour of the principle of old-age pensions, and requesting the Government to take the necessary steps to initiate a Federal system. I do not know what the present Prime Minister is doing, or whether he is doing anything, but I am perfectly certain that I am justified in stating that the late Prime Minister, Sir Edmund Barton, informed me emphatically that it was his intention forthwith to give effect to the second part of the resolution of this Chamber, and to communicate with the Premiers of the various States with a view to bringing about the establishment of a system of old-age pensions on a Commonwealth basis. I shall not take up time by pointing out the reason why two-thirds of the people of the Commonwealth at present have old-age pensions, whilst the other third are denied them. That is the state of things that now exists; but, as has been pointed out, particularly by Senator Mulcahy, the systems prevailing at present in New South Wales and Victoria, however advantageous they may be to some persons, are manifestly unfair and unsatisfactory to the many stalwart workers—or workers who were once stalwart and energetic colonists—who are now unable, by reason of their

having moved from one place to another in the course of their lives, to enjoy the benefits which are enjoyed by others who have been to a greater extent stayers at home. These latter persons have not done nearly so much to open up the vast continent of Australia as has been done by those who have moved across the borders from State to State in pursuance of their energetic ambitions, but who by so doing have been deprived of the grants that are now made to those who stayed at home. I need not go through many of the interesting arguments which have been addressed to the Senate with reference to land taxation and State banking; although I would ask my honorable friend, Senator Trenwith, where he finds anything about banking in the Governor-General's speech? I cannot find a reference to it, and I do not think that my honorable friend the Vice-President of the Executive Council can find one either. But this is a detail, or, as Kipling says, "another story." My honorable friend Senator Mulcahy advocated protection in the name of preferential trade. Now sir, although I am a free-trader, I am not a bigoted one. I do not deny the possibility of my being convinced as to the erroneousness of the views to which I hold, although I do not think it is likely that I shall be convinced. Still, I am willing to be convinced. But, after what I heard my honorable friend say, I have come to this conclusion—that in respect to preferential trade, I have not to be convinced, but have simply to change the coat which I have worn all my life and become a protectionist. If that is, as my honorable friend says, the actual underlying principle of the policy of preferential trade, I am afraid that there is no chance in the few years that I have to live of my devoting myself to the study of a question which is only a wolf in sheep's clothing—protection in the name of preferential trade.

Senator MULCAHY.—Imperial protection—that is what it is.

Senator Lt.-Col. NEILD.—And perhaps something more. The first question in this monumental gubernatorial address—which is the longest I have ever seen—

Senator PLAYFORD.—Oh, no.

Senator Lt.-Col. NEILD.—If any Government ever produced any more than twenty-seven paragraphs in a Governor's speech, it ought to be ashamed of itself.

Senator PLAYFORD.—I have seen one four times as long.

Senator Lt.-Col. NEILD.—If this speech is only one-fourth the length of some of the speeches my honorable friend has seen all I can say is he will have to travel a long way to see a longer one than this is. Other Governors' speeches may have seemed longer through the print occupying more space, but so far as concerns the number of topics dealt with I think this one challenges competition. The first paragraph tells us something which I think we were told in the vice-regal speech at the close of the last Parliament—that the drought is over. We all knew that. I will not take up time in discussing ancient history.

Senator MCGREGOR.—It is, especially over in Sydney.

Senator Lt.-Col. NEILD.—It has been very much over in Sydney. Indeed, the rain that has fallen there has been so plentiful that it has done harm by interfering seriously with harvesting operations, and has unfortunately destroyed a very large proportion of the crops. Therefore I do not exactly see why we should congratulate ourselves about the rain that has fallen since we were here last.

Senator TRENWITH.—Most of the farmers have larger crops than they usually have, notwithstanding the rain.

Senator Lt.-Col. NEILD.—That is a proposition that might very well be applied in opposition to my honorable friend's argument with reference to the trade of Great Britain. With respect to the second paragraph of the address, dealing with the existing war, and the hope that neutrality will be maintained, I think I may as well refer at this juncture to paragraph 17, which alludes to the proclamation of the Defence Act, and the establishment of a system of defence on lines of effective organization. While the Act is all right the Government insist upon issuing regulations which are all wrong. They have recently issued regulations which have done serious injury to the Defence Forces. A most extraordinary statement has been made by the Minister of Defence. It was published in the press the other day, and I feel it to be my duty to say something about it. I will quote the words of the Minister. He says:—

The Federal Forces are ready for any emergency.

The honorable gentleman either knows nothing about the condition of the Defence Department over which he is supposed to preside, or he has grossly misstated the case connected with Australian defence. What we hope and

have a right to hope is that neutrality may be preserved, and that neither Great Britain nor Australia may be involved directly in the war in the East. We know that it is possible at almost any moment for the British Empire to be drawn into the struggle. That must be admitted to be the case in face of the fact that Russian war ships are frequently "bailing up" British craft on the high seas in parts of the world thousands of miles from the seat of war. It is no use our pretending that everything is right in the matter of defence, when exactly the reverse is the fact. It is not right that Australia should be paying £500,000 per annum for Defence Forces which exist very much more on paper, and in regulations and memoranda than on the parade ground, and that would not be available if war broke out. If we are to have a defence force, let us have a good one. Who would tolerate any one of the States maintaining an entirely inefficient police force which could not capture a criminal or maintain any decent show of order? But this is the condition of affairs in connexion with the Defence Forces. The Minister goes on to say that if war does break out he proposes to raise the strength of the rifle clubs from 26,000 to 50,000 members. As a matter of fact, there are not enough rifles to supply the peace establishment of the Active Forces, let alone the rifle clubs. The peace establishment of a regiment of infantry under the existing system is 500 men, while 800 men form the war establishment; and, as I say, there are not enough rifles for the 500 men. I have it on the best authority that in South Australia, which is called the "model State," there are no less than three varieties of rifles distributed amongst the small number of troops there. I have here an abstract of the Memorandum issued by the Imperial Colonial Defence Committee regarding the defences of the Colonies, dated 21st December, 1896. I shall not read the document, but shall be happy to show it to any honorable senator who desires to see it. It is not a secret document, seeing that it has been published in the *Government Gazette* of New South Wales; and it makes a series of recommendations which it is desirable should be carried out in the Colonies. For instance, one clause reads that all the troops in a colony ought to have arms of the same calibre; another recommendation is that troops in colonies which may have to act together ought to have arms of the same calibre, and that arms ought to be provided for 50 per cent. over the estab-

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lishment and reserves. These are deliberate recommendations by the highest naval and military authorities of the Empire who were called together to advise on colonial defences. Instead of having arms for 50 per cent. over the establishment and reserves, which include rifle clubs, there are not enough rifles to supply the peace establishment. We are spending £500,000 per annum and "spoiling the ship for a ha'orth of tar. What is the use of the Minister for Defence talking of raising the membership of the clubs to 50,000 members when the existing clubs are not supplied with ranges? I have here a letter which I shall read, because it deals with what I deem to be an essentially important matter. In order to impress the importance of this point on honorable senators, I direct attention to the fact that the last Liberal Government which existed in England was hurled from office for the simple reason that they did not provide sufficient cordite ammunition. On what is apparently so small a point the Government were defeated; and if that can occur in regard to one form of ammunition—not ammunition generally—what of the Commonwealth Defence Forces which have been in the hands of the present Administration for three years this month, and the intolerable deficiencies of which are shown on page after page of the report by the Major-General Commanding, who is the military expert imported specially to advise on the subject of Commonwealth Defences? The letter I have named refers to the condition of affairs in New South Wales, and I have no doubt that similar conditions prevail in other States. The letter is from a responsible person, and deals with the condition of the Defence Forces in the town of Singleton, which is an important centre in the great Hunter Valley. It is as follows:—

There is now in this town, and has been for some years, a company of Volunteer Infantry, a half-squadron of Lancers, and a Civilian Rifle Club, now "Reservists," also the Northern Rifle Association, which has its head-quarters here. For the past three and a half years neither the Volunteers, Lancers, nor Reservists have gone through their annual course of musketry, because the Government have failed to provide a range, the old range being practically closed as far as the military authorities were concerned, for the past four and a half years. Land for the proposed range at "Combo," Singleton, has been resumed for some three years past, and on two different occasions tenders have been called for the work of building targets, but owing to the prices being too high tenders were not accepted.

The letter goes on to say that objections have been raised on various grounds, and that nothing appears to have been done, and then proceeds—

At the present the different companies stand in the position of being disbanded owing to the lack of interest taken in military matters, owing to the unsatisfactory way in which the clubs have been treated, and, seeing this town supplied a very large number of staunch men for the South African war, we feel very sorely treated in return by the military authorities. This club has now made the third application to be allowed to erect, for practice purposes, one or two targets at our own expense on new range until such times as the Department are enabled to complete the number of targets for the Northern Rifle Association to hold its meetings.

The two previous applications have been totally ignored, and yet the forces here are expected to make themselves proficient in the use of the rifle.

I am also in a position to say that in the town of Parkes the people have been agitating for a rifle club and a range for two years past, but, to use a colloquial expression, they have "no show" of getting either. As a matter of fact, the communications of the townspeople on the subject have received no answer from the Department presided over by a Minister who is prepared to increase the membership of the rifle clubs from 26,000 to 50,000. The letter discloses what, in my opinion, is an intolerable state of affairs. The Minister for Defence has told us that the Commonwealth forces are ready for any emergency. What are the facts? The forces have undergone a complete change, which was called reorganization, but which in many cases was disorganization. I speak of New South Wales, of which I necessarily know more than I do of the other States, and I find that there it is apparently impossible to obtain the number of men required to make up the peace establishment. I am speaking of the mounted men necessary to make up the number, which, according to the published scheme, are required in the vicinity of Sydney. The lancer regiment of New South Wales has achieved a reputation second to no cavalry regiment in the whole of the colonial forces. It is a regiment which has practically become historical, but which has now been split up into two regiments. Colonel Burns, than whom no man in Australia has put his hand more deeply into his own pocket to advantage his regiment, is one of the first and most widely known citizens of Australia, and he has given up the command of this regiment in

disgust. The lancer regiment now forms, more or less, part of two new regiments; but I undertake to say that if this Chamber caused an inquiry to be made it would be found that these two regiments were greatly below strength. I have taken the trouble to go, with some care, through the published Army List of New South Wales, and to examine the number of vacancies in the light of recent appointments and resignations, the latter of which are fairly numerous. The new establishments require a great many more officers than the old establishments, seeing that companies have been reduced in size, and where there were formerly three officers to a company of 100 men, there ought to be now six officers to two companies totalling 120 men. But, even under the old system, I find that there is a shortage of officers in New South Wales amounting to about ninety. It is all very well to say that the membership of the rifle clubs may be increased; but where are the officers? What knowledge have the officers of the rifle clubs of any duty beyond that of shooting or superintending at the range? Are the captains, presidents, or presiding officers of these rifle clubs competent to lead the men into action? Have they any experience of giving orders, or even receiving orders? To establish a great body of club members without rifles, and without officers, is a proposal which one scarcely has the patience to discuss. I could give, if necessary, the number of officers missing in the different regiments of horse and foot. So far as I can make out there is a shortage of about ninety under the old system, and I should think that probably under the new system the shortage is 120. If the number should be less I shall be very happy to learn of my error, but I think I am quite right in what I say. We saw the other day that in Tasmania one rifleman turned up to meet the General Officer Commanding on parade, although the Minister of Defence also was there. In the face of that fact the Minister says that the Federal Forces are ready for any emergency. One rifleman to defend Tasmania! That is the Minister's idea of the Federal forces being in readiness for any emergency. All those who did not turn up were promised dismissal. I am not very well acquainted with the law that did exist in Tasmania when this event happened, but I doubt very much whether it admitted of the wholesale discharge of men because they did not turn out at a single parade. I think that a larger

dereliction of duty than that would be required to justify the wholesale dismissal of a large number of citizens who have been giving their time to the best of their ability to the defence of their country. That this was not a solitary case in Tasmania is shown by the fact that two days later, notwithstanding the threat of dismissal, a guard of honour could not be got to receive the Governor on some public occasion. Something of the same kind, though not so bad, happened some time ago in New South Wales, where a large number of men in a company of militia threatened to lay down their arms on parade because of the way in which they were being treated. I do not wish to magnify these things, but it is the duty of a public man, who knows of their existence, to tell the truth, because we are not to live in a fool's paradise created by Ministerial utterances that are so woefully inaccurate. At the parade held on King's Birthday in Sydney, an event happened, the like of which has not happened in New South Wales, or perhaps any important centre of the Commonwealth, for many years. The attendance was so meagre that the military authorities carefully abstained from supplying to the newspapers what is called the parade state, and to this day nobody knows how many attended. This only points to the same thing—that the Minister is utterly wrong when he alleges that the Federal forces are ready for any emergency. Very recently when he was doing a little electioneering, he invented a nice little catch-phrase. He said that there was to be “no gold lace and glitter” about the Defence Forces under the new régime. Instead of the honorable gentleman removing one inch of gold lace from the uniforms, I have here no less than eight and a-half pages of the *Commonwealth Gazette* of regulations for officers' uniforms signed by Austin Chapman, Minister of State for Defence. A more elaborate system of rig-out for a certain portion of the defence forces—the head-quarters' staff and the different staffs of the professional soldiers—has never been put in print. It bristles with “gold lace and glitter.” I hope I shall not be deemed to be trespassing too much on the attention of honorable senators if I read the first paragraph—

Aiguillettes and Shoulder Pads.—Staff.—Cord ½ inch gold and red orris basket, with plait and cord loop in front and same at back, the plaits ending in plain gold, with gilt metal tags. The plaits and cords front and back are joined to-

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gether by a short scarlet cloth strap, in which is worked a button-hole. The aiguillette is attached to the shoulder of the jacket or frock coat by a button placed under the outer end of the scabbard forward. The long cord is looped up on the top or front cord, the front cord and the short and long plaits are fastened together, and a small gold braid loop is fixed thereon to attach to the top button of tunic, and to lower hook on neck of the frock coat. On the latter, on the side on which the aiguillette is worn, the arm is passed between the front plait and cord and the back or long plait on cord.

Another paragraph describes the feathers to be worn by the Staff—

Feathers to be Worn with Service Hat.—Staff.—Red and white cocks' feathers drooping, on left side of hat, measuring when out of socket, from base of feathers to point, 14 inches, 6 inches across widest part, and badge staff pattern.

The hat referred to is the brown felt wide-awake. And what are the Army Medical Corps to wear?—

Army Medical Corps.—Plume.—Chocolate ostrich feathers, banded at base with chocolate vulture feathers, bottom in a metal corded ball socket, plain pattern, with embossed Geneva cross on side, three upright flames; height of the plume, 7 inches, and departmental badge.

If I were to read the regulations, which occupy eight and a-half pages of the *Gazette*, I think that I should convince the Senate that there is a great deal of “gold lace and glitter” about the new uniforms; and that a great deal too much attention is being given to military millinery rather than to building up the personnel of the forces; without a valid force of which character the Commonwealth is living in a fool's paradise. Then it takes five and a-half additional pages of the *Gazette* to describe the uniform which the rank and file are to wear. No less than thirteen and a-half pages of the *Gazette* are devoted to questions of military millinery, and half of the men for whom these things are intended have not been enrolled. I think it will be very difficult to find a number of them. The members of the head-quarters staff are required to buy coats which I know on the best possible authority cost eighteen guineas each. If that does not come within the category of “gold lace and glitter” I do not know what the Minister's meaning is. But while it is proposed to do away to a large extent with the second, or holiday uniform, popularly known as review order, it is laid down in these regulations that officers are to hang cords and fancy work over their brown uniform, and call that review order. The Defence Act provides that in the matter of officers' commissions, a preference shall

be given to men who have served in the ranks. Yet these men, if they are given a preference, will have to pay more for these new hangings—they are called aiguillettes for the staff, and apparently breastlines for less important people—girdles and other things, than they would for a good uniform, that would last them for years. With reference to this question of the reorganization of the military forces, and the hope that we shall not be involved in the present war, I desire to say a few words, and I wish what I say to go, as it will, into *Hansard*, and be circulated so that the people who have to pay for these things may know what is going on. Although the Minister declares in the statement I have read that "the Federal forces are ready for any emergency," I maintain that they could not be brigaded with any British troops from any part of the Empire. The drill of the British army, modified by the experiences of the Boer war, and signed by one of England's most esteemed and beloved soldiers, Lord Roberts, was not good enough for the troops of the Commonwealth, who must have now a drill of their own, which is half horse and half foot. It would take a fairly good penman from eight to ten hours to write into the British drill-book the alterations which have been made by the Minister.

Senator MCGREGOR.—Is that what is called the coalition drill?

Senator Lt.-Col. NEILD.—I do not know what it is called, but however good it is it is unfortunate that troops drilled under this system cannot be brigaded with troops from any other part of the British Empire, because the order in which they are drawn up and moved is entirely different. I have here a regulation signed by the Minister, and published by order of the Governor-General, which provides for an astronomical impossibility. I do not know whether the Minister thinks that he can play the part of a modern Joshua and order the sun to stand still, but he has deliberately enacted that a Saturday afternoon's parade shall consist of three hours' work. It is a physical impossibility during a great part of the year to get three hours of daylight between the time at which the men can fall in and the setting of the sun.

Senator GUTHRIE.—But men can be drilled by gaslight.

Senator Lt.-Col. NEILD.—Yes, and provision is made for that in night drills; but a drill of the extended character that

takes place by daylight on a Saturday afternoon cannot be carried out by gaslight, because the drill now in vogue scatters the men all over the country, and there would be no gas lamps where they were exercised. Although I am entering upon what may seem to be small details, I say that the sensible man is the man who considers the interests of the people who have to do the work. We know that the average man knocks off work at 1 o'clock on Saturday, and he has to go home to get his mid-day meal, change his clothes, and get to the place of muster. If it is a company drill, and there is only one mustering place to reach, the men may be able to fall in by 3 o'clock—very rarely any earlier. We know that the tendency is for men to live in the suburbs, some miles away from their work. They have to travel by train, tram, or steamer to and fro, and if a battalion parade is ordered; the usual Saturday afternoon parade, when different companies are brought together from different localities to form the battalion, then New South Wales experience has proved that a decent attendance cannot be secured before 3.30 o'clock, and during a large part of the year daylight is only available between that hour and 5.30 o'clock. This provision for three hours' drill is very seriously interfering with the attendance of New South Wales regiments.

Senator MCGREGOR.—They must be benighted in New South Wales.

Senator Lt.-Col. NEILD.—The regiments are benighted very frequently in attempting to carry out the three-hours drill. Two hours drill satisfactorily carried out is a great deal better than is two hours good drill spoiled by an attempted addition which cannot be carried out with satisfaction to anybody. This only causes the men to lose heart. We must recognise the social obligations of the volunteers and the militia as well as their military duties. Though it may appear to be a small matter, it is essential in the case of many of these men that they should be at home at a certain time on Saturday night in order that their wives may do a bit of shopping whilst they look after their young families. There is no use ignoring, by regulation under the hand of the Governor-General, social conditions which are absolutely essential in the domestic life of our own citizens. Then there is another thing which the Government have done by regulation. They have adopted a system of sweating that is worst than any system

indulged in, so far as I know, by any Polish Jew in Whitechapel. That is strong language, but I will give my proofs. Hitherto there has been a professional soldier attached to each regiment as adjutant, whose pay and allowance, according to his rank, has varied from £400 to £600 a year. The Government now insists upon having this work done without any allowance, even for horse hire, by men supposed to be competent, who must be highly trained and who get no more than 5s. a day. For 5s. a day the Government now insist upon highly trained men doing that for which the State hitherto paid from £400 to £600 a year. I call that sweating. But that is not the worst of it. I have another regulation here which provides for something else. Hitherto for the work of administration and for looking after the Government property in charge of each regiment—and in the case of a foot regiment, this property will certainly amount to not less than £6,000 in value—it has been found desirable to employ from six to eight sergeants. The property in the hands of the different companies is not all stored in one place but is widely scattered, and the Commonwealth cut down the number of sergeants to attend to the administration and drill work of each regiment from six or eight to four. The salaries of these men average about £175 each, involving a total expenditure of about £700 per year. What did they do the other day? They issued an order that these sergeants were not in future to do any of the work of caring for the arms, and equipment, or keeping the books of the regiment. I may explain to honorable senators that every bit of military equipment bears a number stamped upon it, and that it is entered up in books the size of bank ledgers, and must be correctly signed for, otherwise the loss to the public would be very serious. There is an order issued now that these four sergeants are not to do this work, and that it is to be done exclusively by three unpaid citizen soldiers in their spare time. If that is not sweating, I do not know what is. I do not know what could be more preposterous than to expect Government property of this great value to be properly cared for by three unpaid men who are occasionally to give it attention when they have nothing else to do. That is the last order, and I think that the sooner the Commonwealth Government withdraw these

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orders, the better it will be for the well-being of the Commonwealth Forces. There is one matter to which I must refer here, because I intend to make it the subject of ulterior action in this Chamber, and that is the stripping off the regiments of the little designations, facing colours on cuffs, collars, shoulder straps, and so on, the small differentiating marks, that draw a distinction between one regiment and another.

Senator GUTHRIE.—Have they taken the kilts off the Scotchmen?

Senator Lt.-Col. NEILD.—No; the Scottish regiments have been left wholly untouched. No alteration whatever has been made in their garb.

Senator Lt.-Col. NEILD.—There is a regiment in Sydney called the Australian Rifles, and from the very day the regiment was raised the men have worn in their hats, not the plumes to which reference has been made, but the simple insignia of a couple of emu's feathers. This has been taken away from them. Other regiments have had their distinguishing marks, and I point out to the Vice-President of the Executive Council and the Attorney-General that amongst the 250,000 and more of British volunteers there are not two corps that wear identically the same uniform; neither are there two regiments in the British service that wear identically the same uniform. Each one has its distinguishing marks, in addition to the regimental badge, which cannot be distinguished until you come close up to a man. You must come close up to a man before you can distinguish the metal badge of his regiment; but the men of a particular regiment may be told at a distance by some of the other distinguishing marks which have been regimental traditions honoured to a degree which can hardly be understood, except by men connected with the regiments. These distinguishing marks are taken away from our regiments, and for what purpose? No alteration has been made in the uniform of the Highland troops; there has been a great addition in the ornamentation of the Staff and the medical staff, but the volunteers, the men who serve for nothing, are treated the worst of all. In New South Wales there are four militia regiments and five volunteer regiments—I am speaking now of infantry—and three corps, and their importance is shown by the fact that a place is allotted to each of these regiments and to each of these corps in the printed defence scheme of the Government. Therefore, I say that these men

are absolutely essential to the working out of the Government scheme of defence, and yet by these regulations they have been deprived of the little distinguishing marks which make men proud of their regiment. We know very well that we cannot keep up volunteer regiments unless we can provide some healthy emulation for them. If we are to put them all in exactly the same garb, and especially if we are to give them as nearly as possible an English gaol rig, and this is not much of an exaggeration, we cannot hope to maintain the healthy emulation between one regiment and another without which it is impossible to maintain this portion of the military defence of the Commonwealth. I have made some reference to Sir Edward Hutton's report. It was laid upon the table so late in last session that I had no opportunity of making any use of it then. I propose to make use of some small portions of it now in view of the fact that the Minister for Defence declares that "the Federal forces are ready for any emergency." What does the military expert at the head of this Department say? I find that on page 13 of his report he says—

The military stores and equipment are in a most unsatisfactory condition throughout the Commonwealth, and the situation can only be viewed with the gravest concern. Modern equipment for Cavalry, Artillery, and Infantry (a proportion of rifles for the troops on their peace establishment, and a small proportion of field guns excepted) may be regarded as non-existent.

Senator GUTHRIE.—What have they done since that report?

Senator Lt.-Col. NEILD.—It would be eminently in the public interest for us to know. I think my honorable friend will find that very little has been done. At page 23 of the report I find the statement is made, that—

The existing system of providing the small arms and ammunition by contract through a local ammunition company cannot be considered satisfactory.

The General Officer Commanding says on the same page of his report—

It requires a period of from 18 months to 2 years to complete large orders for warlike stores. And he points out that we cannot hope to get what is necessary under existing arrangements before 1908. I hope that the danger of war which is shadowed forth in the Governor-General's speech will be over by that time, and that we shall not in the meantime need the stores and arms, the non-existence of which the General Officer Commanding deplures. I referred to the fact

that the last Liberal Government was thrown from office in England by reason of the absence of a proper supply of cordite ammunition. On the subject of cordite ammunition, the General Officer Commanding on the same page of his report says—

Artillery Ammunition.—The provision of cordite or smokeless powder for the modern sea-bearing armament—

that means guns bearing seaward—

of 6-inch calibre, and below now in position at the defended ports and coaling stations of Australia, is a matter of pressing necessity.

I should like to know how much of that pressing necessity has been made good? I believe that very little attention has been paid to the matter. Then on page 24 we read—

The equipment for the light horse regiments—there are eighteen of them, or there will be eighteen if they are raised—

will necessitate the purchase of a pistol.

That means a pistol for each man. Have the pistols been purchased for those eighteen regiments? I will undertake to say that there is not one of them in Australia. On the same page we read—

Accoutrements.—It has been already stated that at the present moment there is no infantry equipment of an effective service for the field force available in any of the States of the Commonwealth. In some of the States infantry equipment does not exist beyond the waist-belt. There is no infantry equipment in any of the States of a later date than 1882, which is now obsolete.

Then again—

Saddlery.—Saddlery of a description effective for military service is non-existent, except in the case of the New South Wales Lancers.

There is saddlery wanted for sixteen regiments. Has any of it been procured? Then, as to guns, the Major-General says—

Field Artillery.—On peace establishment 18 batteries of four guns (Field Force and Garrison Force)—72 guns; and when increased to war establishment—96 guns.

The Major-General points out that all we have at present for a peace establishment of 72 guns is 24 guns in all Australia. That is one-third of what we require for the peace establishment. Six other guns have been ordered. Imagine the monumental struggle that must have taken place in the Cabinet before they agreed to order six guns—actually six—when 48 were required! There are eighteen more old guns, which are being converted to a modern type. Whether the Salvation Army is converting them, or who is doing it—possibly it is Dowie—I do not know. Yet the

Minister for Defence tells us that our Defence Forces are "ready for any emergency"! The Major-General goes on to say—

There will consequently be required 24 field guns to complete the peace establishment.

He proceeds—

Artillery ammunition waggons are an essential factor to the efficiency of field artillery. In some States there are no artillery and ammunition waggons of any kind, and in other States there are only a small proportion to the number of guns available. It is, consequently, of primary importance to complete the field batteries on peace establishment to their peace requirement of waggons as soon as possible. There are only thirteen available, leaving a balance of fifty-nine for purchase.

Can the Minister tell me that even one of those fifty-nine waggons, stated by the Major-General to be absolutely necessary, has been purchased? They are necessary for a peace establishment, and we are told by the Minister that our Defence Forces are "ready for any emergency." Major-General Hutton goes on—

The existing field artillery harness is, with the exception of isolated batteries in two of the States, old, and for service purposes may be classed as worthless.

Imagine the citizens of this Commonwealth being asked to take their guns into action with rotten harness. It is a crying shame that such a state of things should exist, and that men should be asked to risk their lives, not only in defence of their country, but in the defence of rotten harness, by a Government which will issue thirteen and a half pages of military regulations as to uniforms, but which will not provide guns and harness to make the force a valid instead of a paper force.

The amount of field artillery ammunition cordite charges available in Australia is insufficient for the equipment of the guns now existing.

There is not enough ammunition for 24 guns out of 72 which are required for a peace establishment. The Government have gone to the extravagance of ordering six more guns. But where is the ammunition for them? Where are the waggons to take the ammunition to the guns? Are the gunners expected to carry it in their arms? Guns are moved about the field with great rapidity, and waggons to carry the shell are just as essential as horses to drag the guns. The guns are useless without horses in front and waggons laden with ammunition behind. The Major-General also says—

Carriages for Guns of Position.—Two batteries of eight guns of position are required to complete the field force.

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Will the Minister tell us in the face of these requirements that "the Defence Force is ready for any emergency"? But the Government according to their estimates have no present intention of supplying these things. The Major-General points out as to machine guns that—

One Pom-pom and harness and two machine guns (Colt pattern), with tripod mountings, per regiment—

are absolutely necessary. That means that, as there are 18 regiments of mounted troops or light horse, 18 pom-poms, as they are called, and 36 new pattern machine guns are required. Where are they? I will undertake to say that they are non-existent in the Commonwealth today. Mr. President, it is an extremely unsatisfactory thing for any man to have to stand up in a public place and draw attention to matters of this kind. It is peculiarly unpalatable to me. But I feel that I am under a bounden duty to draw attention to these matters, for two reasons; One is that I have always taken a very keen and deep interest in matters of defence ever since, as a boy, I lived under martial law during the first stage of the New Zealand war. In New South Wales that interest is universally acknowledged. Secondly, I feel that I should not be doing my duty if I did not draw attention to the laches of the Government in these matters, particularly in view of the declaration of the Minister for Defence that "the Federal forces are ready for any emergency"—that is to say, I suppose, any emergency arising out of thirteen and a-half foolscap pages of dress regulations! I cannot follow out all the sinuosities of this monumental speech of the Governor-General, but there are other matters to which I wish to refer. I cannot pass by a question that has not been touched upon by the mover and seconder of the Address in Reply. I think they showed their wisdom in leaving it alone. Reference has been made to the question of the six hatters. Well, the six hatters are not all in Australia now. Some of them went to New Zealand. I shall say nothing of them. But there is one case which stands out as making the Commonwealth administration worthy of execration, and that is the case of the *Petriana* wreck. The Attorney-General laughs. If I may, without offence, apply to him a well-known quotation from Byron, I would say that my honorable and learned friend is—

The mildest mannered man
That ever scuttled ship or cut a throat.

I apply it in this way—that I have been astounded to see that a gentleman of the Attorney-General's mildness of manner and courtesy of demeanour on all occasions when I have had the pleasure of meeting him, should have stood up on platform after platform during the recent elections and upheld the refusal to allow shipwrecked men even to come on land.

Senator DRAKE.—That is an invention of the Sydney press.

Senator Lt.-Col. NEILD.—I am going to take some action in connexion with this matter. Probably to-morrow I shall give notice of a motion for the production of the papers connected with the case. I want to get at the facts, and I will tell the Senate why. The agents for the ship make certain statements, and the officials of the Government give the flattest contradiction to them. In fact, there are flat contradictions on both sides, and I want to know who has told the truth, and who has told the lie.

Senator DRAKE.—I will tell the honorable senator who told some of them.

Senator Lt.-Col. NEILD.—I will only say this on the subject—that on such facts as are known, the refusal to allow those shipwrecked men to land was a crying disgrace to everyone connected with the transaction. I am not saying that they should have been allowed to stay here. I know what the law is. They undoubtedly should have been deported. But to say that a man who is shipwrecked, and who is wet and shivering, shall not be allowed to come on shore, but shall be treated somewhat like a criminal—

Senator DRAKE.—Who said that?

Senator Lt.-Col. NEILD.—I am speaking of the way those shipwrecked sailors were treated, and I say it was a crying disgrace and a scandal to the Commonwealth. Let me relate an incident similar to this one. Some forty years ago there was a wreck on the New Zealand coast—upon that portion of the coast occupied by the Maories who were at war with the English, and who were upon territory which was in their armed occupation. The steamer *Lord Worsley*, which I knew very well—I travelled in her as a child—was wrecked on the coast south of Taranaki, or New Plymouth. The whole of the ship's crew and passengers—men, women, and children—reached the shore. They came ashore close to the natives' fortifications. The Maories took council

amongst themselves as to what they should do with these people. Remember that these Maoris until a few years previously were not only savages but cannibals. They discussed what was to be done with the ship's company, and amongst the Maories were a number whom I will characterize as "Deakinities," and who proposed to tomahawk the lot. But the "members of the Opposition" were sufficiently numerous to put the Deakinities aside, and the result was that these poor savages, as they were called, fed the hungry shipwrecked people, and drove the women and children in their bullock carts, the men marching alongside, to the nearest position held by white troops. Compare that with the conduct of the Commonwealth Government in the *Pettriana* case. Shame on those guilty of the treatment meted out to the unfortunate beings on that ship! Then there is the Stelling case.

Senator GUTHRIE.—A smuggler.

Senator Lt.-Col. NEILD.—That may be so, and I do not defend the man as to that; why should I? But does the honorable senator say that a man who has been convicted of an offence, and punished for it, is to be made the subject of a subsequent prosecution for practically the same offence?

Senator MCGREGOR.—The Act says that when the term of imprisonment of a man who has been convicted of an offence expires he shall be subject to the education test.

Senator Lt.-Col. NEILD.—If Senator McGregor reads the Act he will find that he is entirely misrepresenting it.

Senator TRENWITH.—Then the Act is very defective, because we should have here a criminal who would not be here if he were not a criminal.

Senator Lt.-Col. NEILD.—I shall not discuss the question, not because I cannot answer the interjections made, but because there occurs to me at this moment a fact which I had forgotten, namely, that this case is before the Law Courts of New South Wales, and doubtless the President would promptly stop me if I attempted to refer to it further. I offer an apology to you, Mr. President, and to the Chamber for mentioning the case under the circumstances. I now come to a most extraordinary clause in His Excellency the Governor-General's address—the clause which refers to an agricultural bureau and new crops and new markets. Surely the

duty indicated here is a State duty. Under what provision of the Constitution can this be a Commonwealth duty? The composers of this lengthy address allege in this part the necessity for speedier and cheaper transportation, just at the very time when their negotiations for speedier and cheaper communication have actually broken down in connexion with the mail contracts. They are alleging the necessity of that which their own policy has rendered impossible.

Senator PLAYFORD.—The mail contracts have nothing to do with the carriage of produce.

Senator Lt.-Col. NEILD.—The honorable senator has surely forgotten the clause of the mail contract which requires the speedy carriage of the very produce which is indicated here.

Senator PLAYFORD.—Such a condition was placed in our proposed contract, but we could get nobody to tender.

Senator Lt.-Col. NEILD.—While we are told that this necessity exists we are also told by the Postmaster-General that he has given up the idea of getting any mail contracts. In this lengthy document there is a statement that the whole question of the subsidies for postal and other services is now under review. This address in its 12th paragraph absolutely contradicts statements that have been made in the press by the Postmaster-General. That honorable gentleman told us through the newspapers that he had a tender for a 30-knot service. If I were disposed to be facetious I should suggest that the Postmaster-General was expecting the mails to be carried by a fish torpedo. That is about the only conveyance by which he is likely to get a service of 30 knots. There is another case to which I can refer, because it has happily passed out of the realms of the law courts. That is the Hanna case, which discloses what can only be properly described as the infamous treatment by the Government of an unhappy cabman.

Senator PLAYFORD.—I never heard of the case.

Senator Lt.-Col. NEILD.—Then I shall tell the Vice-President of the Executive Council all about it, because in his position he ought to have known the facts. The Attorney-General knows all the details of this case. An unfortunate cabman had his horse killed, his cab smashed, and himself injured by an electric current supplied by the Post and Telegraph Department. The Attorney-General, who was then Postmaster-General, encouraged this unfortunate man to go to

law, but when the man went to court, thinking there would be a fair and square hearing, the barrister who appeared for the Government took the point that the Court had no power to hear the case. I shall do the Attorney-General the plain justice of saying that I cannot believe he instructed the barrister to take that action, but somebody must have done so, although the man had been invited by the Attorney-General to go into court. At that time the Government of the Commonwealth were in the position of administrative outlaws, being outside the power of any law in creation.

Senator PLAYFORD.—A very comfortable position.

Senator Lt.-Col. NEILD.—No doubt; and the position was so luxurious that the Government enjoyed it as long as possible.

Senator DRAKE.—No; the Government introduced a Bill to meet the circumstances.

Senator Lt.-Col. NEILD.—That was only done when there was a howl of indignation in both chambers, and throughout the land; the Government were in such abject terror that they had to introduce a measure. But what took place when the Bill was introduced, and even when the High Court was established? In court after court—the District Court, the Supreme Court, the Full Court, and, finally, the High Court—the finding was in favour of this unfortunate man whom the Government intended to “break,” not because they thought they were right, but because the man was poor. Even if the £200 which was awarded to this man—a wretchedly small sum for the Government, but of the greatest possible moment to the unhappy cabman—has been paid, I suppose he is still poorer to-day. I have statements to show that the Government, while pretending to be just over this miserable sum of £200, ran up a bill of £1,800 for law costs. This money was spent, not in attempting to administer justice, but in attempting to defeat it in a manner eminently discreditable. A statement I have here shows that while the Post and Telegraph Department admitted the facts, it reiterated that the Department was not liable, notwithstanding that all the courts, finishing with the High Court, decided that it was liable.

Senator PLAYFORD.—What is the honorable senator quoting from?

Senator Lt.-Col. NEILD.—From the Sydney *Daily Telegraph* of January last, though I am sorry I have not the exact date. I have heard from a most unofficial

source that the cabman has been paid his damages. However, the case was finally decided by the High Court on the 11th November last, and up to the date of the publication of the paragraph which I have indicated, the man had not been paid. If he has been paid since, that very fact makes the delay all the more discreditable. There was a clear admission that the man was entitled to the money, and yet the Government fought him for two years or longer. Under such circumstances, what is the use of suing the Federal Government when they are sufficiently lawless to refuse to give effect to the decisions of their own Court under their own laws?

Senator PLAYFORD.—The Government did give effect to the law.

Senator Lt.-Col. NEILD.—But not for months after the decision.

Senator PLAYFORD.—The Government did so as soon as possible, I suppose.

Senator Lt.-Col. NEILD.—The decision ought to have been given effect to a great deal sooner.

Senator PLAYFORD.—I am afraid the honorable senator would find the Commonwealth Treasurer rather a difficult person to get money from.

Senator Lt.-Col. NEILD.—I am not blaming the Vice-President of the Executive Council, who must, however, as a member of the Government, take his share of the responsibility for a state of affairs which is much more than discreditable. I have no personal feeling in this matter, and I am sure that the two Ministers to whom I have referred have none other than the most friendly disposition towards myself. But my friendly feeling, which extends to every member of the Ministry, has nothing to do with the discharge of my public duty. We have read in history of the father who was called upon to give up his criminal son to the hangman, his parental feelings not being allowed to interfere with the administration of justice; and while the friendly relationship between members of this Chamber is not likely to be outraged, honorable senators are of too high a type to allow private friendship to interfere with the discharge of their straightforward public duties.

Senator DRAKE.—The honorable senator told us that he desired to impart some humour to the proceedings.

Senator Lt.-Col. NEILD.—Does the Attorney-General say that what I have said about the Hanna case possesses any element of humour?

Senator DRAKE.—I should say that some of the honorable senator's remarks are humorous.

Senator Lt.-Col. NEILD.—I am sorry that in connexion with this particular case, I have apparently taken a wrong view of my honorable friend's action. It appears to me, however, that so far from being a subject of humour, this case is a subject for public humiliation. We are told that there is something wrong in connexion with the Electoral Act, and that something is going to be done; and no doubt it is time that something was done in connexion with the Electoral Department. I was declared elected by a few less than 193,000 votes as far back as 14th January. I have been sworn in here, and I do not know, to this hour, how many votes I did poll. I could not get the information in the office in Sydney, and, therefore, I wrote an unofficial letter to the head of the Electoral Department in Melbourne. He sent me word that he had instructed the Department in Sydney to give me the information. I called at the office last Monday, and when I asked the Electoral Officer, Mr. Biden, for the information, he said—"Oh, Colonel Neild, all you wanted has been typed for you for days. I will give it to you." Then up jumped Mr. Lewis's clerk from Melbourne, a gentleman named Nienep, and he told the Electoral Officer that he was not to give me the return, or to tell me anything that was in it. I was not to be allowed to know the figures, for the information of myself or of the scores of thousands that I represent; the papers had gone to Melbourne. That was one story. The other story was that the papers were not complete. Days before they were in Melbourne, not only in typewriting, but in print. Elections are not conducted for the benefit of Ministers, or even electoral officers, but for the benefit of the community, and if there is anybody who has a right to know, at the earliest possible moment, what the result of an election is, it is not the Minister, for he has nothing to do with it. Did any one ever before hear of a returning officer refusing to declare the result of a poll until he had submitted the figures to the Minister? Are we to have Ministerial interference with purity of elections? We shall next have Ministers claiming the right to revise the figures.

Senator GUTHRIE.—And to amend them.

Senator Lt.-Col. NEILD.—I am not making a personal complaint. Having been declared elected, I do not know that it matters very much whether I polled a few

votes more or less. But I consider that it is a scandal that the result of an election which took place on the 16th of December last should not have been made public, and that the information should have been kept back for the benefit of the Minister, in order that he could get up something like a cricket score average, which means very little, or may mean a great deal. In the document which was laid on the table yesterday, the Minister refers to the paucity of the voting. What is likely to be the result when on one divisional roll in the electorate represented by the Minister for Trade and Customs, a married woman's name is put down six times? I shall produce the roll here if needful. That is the way in which the rolls have been made up by the Department. How could we expect things to be well done when all the Government did in New South Wales, where the polling was heaviest, was to pay a chief Electoral Officer the sum of 15s. a day? Is that a decent pay to give to a man who had to be out of bed twenty hours out of the 24, and possibly even longer than that? They did not even give him overtime. It was the least thing that they could have done, because he was worked to death with a staff not nearly strong enough.

Senator PLAYFORD.—Is that a solitary case?

Senator Lt.-Col. NEILD.—No, because it was stated in the Sydney press the other day that the Government had not paid the miserable 15s. a day to the presiding officers. It is a disgraceful thing that a junior clerk should be sent from the Melbourne office to practically take out of the hands of the electoral officer, appointed by the Executive Council, his business and his authority.

Senator PLAYFORD.—Where was Mr. Lewis?

Senator Lt.-Col. NEILD.—He was here, but he has been backwards and forwards often enough. I have no complaint against the unfortunate man in Sydney, who has been the victim of meddling from Melbourne, who has been insufficiently paid and inefficiently supported. It is a public wrong that the figures for any one election should be kept from the candidates and the public until the Minister has perused them or has made some use of them, I do not care what. It would be very well if the Parliament were to insist upon an inquiry. Not only were things bad enough in connexion with the "gerrymandering," of which enough was said last session, but from that time to the present—in the making up of

rolls, in the duplication and more than duplication of many names, and in the transparent refusal to print others on the roll—there has been little more or less than a gigantic muddle, discreditable to everyone charged with responsible duties. I understand now that it is proposed to supersede Mr. Biden, and place in his position a not very prominent officer of the Postal Department of New South Wales. I know nothing of the gentleman, whose name I only heard for the first time the other day, and who may be a most admirable officer. But I wish to point out that he is, in the service of the Department, materially junior to many postmasters who are returning officers for districts. It would be a curious capsizing of seniority in the service to make such an appointment; but if he is appointed I hope that he will turn out to be a very good man. There is one matter which I find I have overlooked. This is another of those cases in which I am, unfortunately, compelled to accuse the existing Ministry of the non-fulfilment of a financial obligation, and in this case to a public servant. I need not go into all the details, but I state as a fact that some time ago the State Government of New South Wales decided that it would be desirable to have an official record of the events connected with the sending of troops from that State to the Transvaal. It will be remembered that New South Wales sent some 15,000 or 16,000 men in all. An officer in the Defence Department, who was also an officer in the Education Department, was appointed by the Governor in Council to prepare this record. He was granted leave from his civil occupation for the purpose, and was provided with a salary equal to that which he had been drawing from his civil occupation, or thereabouts, in order to do this work. He put in three months upon it, and was then called upon to go to South Africa again. He had already been there, and had done meritorious service. On going away he handed over all his records. On his return the State Department of Defence had become a Commonwealth Department, and he was asked to take up the work again. Let me say that all the pay he received for the first three months of his work he expended in the purchase of a typewriter, that he might be able to turn out his work in nice style. He returned to South Africa for further service on the 1st July, 1901. Previous to that he had handed over the incomplete sections of the records and all the official

documents. On his return from South Africa, in January, 1902, he was requested to complete his record. The New South Wales military authorities—that is, the Commonwealth Defence authorities—applied to the Public Service Department of New South Wales for his services. The request was granted, and the officer went on with this work from the 12th February until the 30th May, and during this time he received nothing. He was granted leave from the New South Wales Education Department in order that he might serve the Commonwealth, and so he lost the pay he received in the State service, and he did not get a penny for his services from the Commonwealth. At the rate of pay agreed upon the Commonwealth owes him £90, and he cannot get a sixpence of it. Of course he cannot get the money from the State Government of New South Wales, because they relinquished his services, and the Commonwealth Government will not pay him. It is only fair to say that so far as I know the military head of the Defence Department has urged his payment, but, whether it is due to the Minister for Defence or the Commonwealth Treasurer, and I suppose it is due to one of those officials, he has not yet been paid.

Senator GUTHRIE.—Why did he not insist upon getting his pay monthly?

Senator Lt.-Col. NEILD.—That is a very easy thing to say, but he could insist only through the law courts or strike.

Senator GUTHRIE.—Exactly.

Senator Lt.-Col. NEILD.—As a rule a solitary individual does not go out on strike. Ordinarily it takes a number of persons to make a strike.

Senator MCGREGOR.—And there was no Arbitration Court either.

Senator Lt.-Col. NEILD.—There was no Arbitration Court, and I ask what would be the use of his obtaining a verdict in view of the facts quoted in the Hanna case.

Senator GUTHRIE.—This shows the necessity of extending the Commonwealth Arbitration Act to those engaged in the State Public Services.

Senator Lt.-Col. NEILD.—It would be a novelty to have an arbitration law extended to the military.

Senator GUTHRIE.—If the men cannot get their pay, why not?

Senator Lt.-Col. NEILD.—This seems to me to be a glaring case of injustice, and knowing something of the matter, I desire to know a little more. I have heard one side of the story, and I hope I shall always be fair-minded enough to listen to both sides.

Senator DRAKE.—The honorable senator has hardly given sufficient information to enable me to assist him.

Senator Lt.-Col. NEILD.—I will give the name of the officer. He is Captain Pearce, of the New South Wales Artillery. I have already given the dates, and I have no doubt they will be found correctly recorded in *Hansard*. I think this is a gross case of injustice which any honorable senator would take satisfaction in bringing forward with a view to its redress.

Senator DRAKE.—This is the first I have heard of it.

Senator Lt.-Col. NEILD.—No doubt this is the first the honorable and learned senator has heard of it, because, although he was Minister for Defence, it is quite possible that the matter never came before him during the time he occupied that position.

Senator GUTHRIE.—According to the dates it ought to have come before him.

Senator Lt.-Col. NEILD.—If my honorable friend knew that many communications to the Defence Department, and to other departments of the Government, are never answered at all, and that in many cases an immense amount of time elapses before replies are given, he would not perhaps be so much surprised. I propose to refer to what is not a kindred topic, though it is still a matter connected with the Public Service, and one for which the Government are peculiarly responsible. I speak of the transference of public officers without any communication being addressed to them. They are ordered by the Governor-General in Council to shift many hundreds of miles without being asked whether their circumstances are such that they can afford to make the change. In New South Wales it has been the custom for many years for two rates of pay to be granted to public servants; one rate in what are called the settled districts, and a higher rate to public officials who have to go away into the backblocks and live at greater expense in trying climates. I know of two cases in the Postal Department of New South Wales where married officers, getting small salaries, and living in the city, with all their domestic arrangements complete, have been, without "By your leave," or "Can you do it," ordered away into the far west. When a man enters the Public Service he must be prepared to assist in coping with the exigencies of the service, and to accept all reasonable responsibilities, but I take it that it is an undue hardship to order

a man away without consulting him at all, when there may be many persons in the service who are better able to make the change than he is. In one case I have in mind a man receiving a small pay, and having an invalid wife, who, I believe, could not live in the great stress of heat to be found in the far west, was ordered away without "By your leave." All he knew about it was that his transference was announced in the *Commonwealth Gazette*. I enter a protest against that kind of thing. Though a soldier or a sailor has to go wherever he is sent, civil employment does not contemplate such strenuous movements of the public servants, and they have a right to be reasonably consulted. Referring to one or two of the paragraphs of the Governor-General's speech, I may say that I entirely agree with the proposal dealt with in paragraph 7, to do something for the increase of the population of Australia. I agree with speakers who have preceded me in urging that without some more rapid increase in the population than we have at the present time, Australia cannot be the great nation that it was confidently believed it would become when we federated. I may say that I have as much opposition for what is contained in paragraph 8 of the speech, as I have of approval for the previous paragraph. Paragraph 8 deals with the proposal for the appointment of a High Commissioner of the Commonwealth. What in the world is he to do? We do not require such an officer; we are not at present borrowing money, and for what other purpose do we require a High Commissioner in London? A general agent we may want to look after the sale of colonial productions, but the chief duties of agents-general have been in connexion with monetary transactions, and as there are no monetary transactions necessary in London on behalf of the Commonwealth, I see no necessity for the appointment of a High Commissioner. I hold that there is no reason why we should establish a High Commissioner with a large salary, because we cannot send an eminent man to London with a small salary, and if we are not going to send an eminent man we had better send no one. It is proposed to send an eminent man at a large salary, and with a large staff at his back to do what, in the name of Heaven? Nothing at all but appear at society functions. I am absolutely opposed to the proposition. I do not know whether this position is to be given to the gentleman who acted as Mr. Deakin's bottle-holder

Senator Lt.-Col. Neild.

in Sydney during the election period, but I hope not.

Senator GUTHRIE.—Who was that?

Senator Lt.-Col. NEILD.—A gentleman named Wise. I propose now to refer to paragraphs 13 and 14, addressed to the members of the House of Representatives, and dealing with monetary matters—the Tariff and revenue, and expenditure. If there is one thing upon which this Senate has insisted, it is a due recognition by the other Chamber of the rights of the Senate under the Constitution.

Senator WALKER.—I think it was promised last session that they should be observed.

Senator Lt.-Col. NEILD.—That is so, but if the promise be kept in the word it is broken in the spirit as far as this speech is concerned. It will be remembered that last session I submitted a motion affirming the rights of the Senate in connexion with money matters, and objecting to the action of the Government in placing in the mouth of the Governor-General an expression of thanks to the House of Representatives alone for the grant of Supply. My honorable friend the Attorney-General said that if I would withdraw the motion he would see that the thing did not occur again; and the honorable and learned senator kept his word in respect of the speech delivered at the close of last session. Then the thanks of the Governor-General on behalf of the Crown were conveyed to both Chambers for the grant of Supply. In that respect the promise made was kept in the letter and in the spirit. Now, I think it has been broken in both. No doubt my honorable friend the Attorney-General quite forgot the matter, but I protest, and I am quite willing to take action with any other member of the Senate who thinks it desirable to again place on record the fact that, except in the mere detail of initiation, this Chamber is equal with the other, and is responsible for, and has the same honorable right of dealing with the finances of the country as has the House of Representatives.

Senator GUTHRIE.—Add that to the motion we are now discussing.

Senator Lt.-Col. NEILD.—I do not think it would be desirable to move an amendment, and I give my reason. The moving of an amendment upon an Address in Reply would be regarded as an attack upon the Government, and the strength of the Government would in consequence be brought to bear against a motion which, moved in another way, would

perhaps meet with universal acceptance. I do not know that it is necessary to take any action, but I shall be prepared to join with any honorable senator in doing so if action is deemed necessary, because I think that in the interests of the Commonwealth we should not allow our constitutional rights to go by default.

Senator GUTHRIE.—Give notice of motion.

Senator Lt.-Col. NEILD.—I will give notice of motion to-morrow. But I think that if I moved it as an amendment upon the Address in Reply I should make a mistake. I did discuss the question with some of my friends, and we agreed that to move it as an amendment would be to complicate the enunciation of a constitutional proposition with party conflict. A word with reference to the site for the Federal Capital. I see it stated in the Governor-General's speech that contour surveys are in progress at Tumut and Bombala. I want to know—Why not Lyndhurst? That is the site which obtained more direct votes in the Federal Parliament than any other. The majority of votes in the other House was given first for Lyndhurst, and secondly for Tumut, and not for Bombala at all. Bombala was the choice of the Senate. I wish to know why the Government excluded from the contour surveys the site that obtained more votes than any other of the three mentioned. I have heard that there is something like a conspiracy going on in connexion with the Federal Capital. I have heard it from a very good source—from Members of the Federal Parliament—and I may just as well put it on record. It amounts to this—that a number of gentlemen who are entirely opposed to the establishment of the Federal Capital are going to vote religiously for Bombala, knowing that there is no railway within sixty miles of the place, no prospect of a railway being built, and no likelihood of either New South Wales or Victoria being able to borrow the money to build the necessary railway; so that while they will be voting nominally to fulfil the conditions of the Constitution by voting for the selection of the Federal Capital site, they will be most industriously breaking the spirit of the Constitution by voting for a proposition that they know will be an absolute nullity. I make that statement because it has been made to me by members who now sit in the Federal Parliament, and I think it is just as well that it should be put on record.

Senator GUTHRIE.—I think the honorable senator should tell us who they are. His statement is an aspersion on all the Members of the Parliament.

Senator Lt.-Col. NEILD.—It was not a member of the Senate, at all events. There is a very interesting paragraph in the speech, No. 19, regarding a conference with reference to electric cables. I see that there is to be a conference in London, and that the matter is in the hands of the Government. They would not have a conference in Australia, although a man came here all the way from London to take part in it, and although the Agent-General for New South Wales, who was the representative of Australia on the Cable Board in London, was here at the same time. The Government would not agree to have a conference at any price whatever, and by some means the gentleman referred to was spirited away home again.

Senator DRAKE.—The honorable senator is quite wrong.

Senator PLAYFORD.—Quite wrong.

Senator Lt.-Col. NEILD.—My honorable friend the Vice-President of the Executive Council has already told us that he knew nothing of the Hanna case, and I had some difficulty in recalling it to his memory. I think I am correct in saying that action was taken in both Chambers of the Legislature with reference to a proposed conference on the Pacific Cable, and the Government opposed it all the time, and for all they were worth.

Senator DRAKE.—The conference proposed was not to be held here, but in London.

Senator Lt.-Col. NEILD.—In that I may be wrong, but as to the desire for a conference, and as to the refusal of the Government to take part in one, I am sure I was right.

Senator PLAYFORD.—Quite right; there never ought to have been a conference.

Senator Lt.-Col. NEILD.—Now, apparently, the conference that was objected to is to be held. It will be very interesting to hear some of the members of the Government explain to us what has caused this change of front. We know that there has been a change of front on the part of Ministers in regard to a good many things—coloured labour in ships' stoke-holds and other matters.

Senator GUTHRIE.—They have not gone back on that, have they?

Senator Lt.-Col. NEILD.—They went back on that. They opposed the amendment to prohibit the employment of coloured labour for by all Google were

worth when it was discussed in this Chamber, and I supported them. But the other Chamber would have it that there was to be no black labour on the mail steamers, and the Government threw a somersault, turned up blandly with "Here we are again!" like the clown in the circus, and insisted that there should be no black labour! It looks as though something of the same sort had been occurring in connexion with the Pacific Cable. They first of all opposed the holding of any Conference, and now they have executed a change of front. In conclusion, I would remark that we have met together under circumstances in which some of the seats on these benches are now occupied by new faces. As far as I have been able to judge there are genial dispositions connected with those faces, and that there will be good comradeship between those who were here before and those who have newly come into the Senate I fully believe. But I cannot help expressing a word of regret that some of those whom we miss have gone from us because from both sides of the chamber are missing the faces of gentlemen who, while sitting here, won the good fellowship and hearty respect of those with whom they sat. I shall be only too glad—

Senator MCGREGOR.—To meet them in Heaven.

Senator LT.-COL. NEILD.—I do not know whether I should be quite so glad to meet Senator McGregor there, because if I wanted to sing a nice hymn, I am afraid that he would interject, and I might find him dreadfully in the way. He would spoil my devotions or whatever they were. But I do hope, as I believe, that while we miss those whom we respected, and who were good comrades, those who take their places will present the same pleasant and admirable qualities, and that during the years before the next triennial change comes, we shall be a Chamber that will fearlessly discharge its high public duties, whilst the members of it remain on terms of personal friendship, even if of political opposition. I trust that we may all part when the time comes with the same elements of friendship and esteem with which we have met together. I particularly desire to thank the Senate for the courtesy with which it has listened to a rather long address, but one dealing with a considerable number of facts, which I deemed it to be my duty as a representative of the people to place before my fellow senators.

Senator WALKER (New South Wales).—I had no intention of addressing the Senate, to-night, but it appears to me that the debate ought to go on if possible, and be concluded this evening. Before I proceed to discuss the Governor-General's speech, I desire to welcome the new senators, and to say that I for one am very pleasantly surprised at the ability shown by the proposer and seconder of the Address in Reply. I think that they made very good speeches from their point of view. It is not to be expected that I should agree with all that has been said, but they put their views before us very clearly and courteously. I wish to make a remark or two in regard to paragraph 3 of the Governor-General's speech with respect to the public debt. I cannot, of course, agree with my honorable friend Senator Trenwith, that all the interest on the money that has been borrowed by Australia from England has been thrown away. We have, to a very large extent, assets to show for the money which we have borrowed, and those assets bring in a return. If my honorable friend makes a point of the amount of interest which we have paid to the bondholders on the money which we have borrowed, he ought also, *per contra*, to show us the income which we have earned from the works upon which the money has been expended. I have had the pleasure of reading recently an account of the views of the Treasurer of the Commonwealth in regard to taking over the debts of the States. I think that Sir George Turner is perfectly right in saying that the Commonwealth must get something adequate by way of additional security before accepting the great responsibility of paying interest on the debts of the States. Sir George Turner proposes that there shall practically be a hypothecation of a portion of the income of the railways. Some years ago I had occasion to speak and to write upon this subject, and although at that time I at first advocated the transfer of the railways to the Federal Government, I found that the proposition was so unpopular in the States that I modified my position, and adopted the very one that Sir George Turner is now taking up. I suggested that in addition to the Customs and Excise duties we might at all events have a partial hypothecation of the incomes of the railways, sufficient to make up the deficiency between the receipts from the Customs and Excise and the aggregate amount of interest on the State debts.

Senator DAWSON.—Is the honorable

senator trying to steal Sir George Turner's ideas?

Senator WALKER.—Certainly not. But the views of Sir George Turner have been reported in the newspapers, and I have only repeated what I have read. I have written to Sir George Turner saying that I was very pleased to read his views, but I may add that I believe I was the first person who suggested an hypothecation of the railway revenue, such as the Federal Treasurer advocates. I can show Senator Dawson the pamphlet in which I advanced this idea. In regard to old-age pensions, there is a great deal of force in what has been said by Senator Mulcahy in regard to the unfortunate position of many of our aged and most enterprising colonists. In many parts of Australia for many years past I have come across men of the character referred to. I have met a few of them in Sydney, who find that, because they were not in New South Wales for twenty consecutive years, they are debarred from obtaining old-age pensions from the New South Wales Government, notwithstanding that they are advanced in years, and have been resident in Australia nearly all their lives. I certainly think that if an Old-Age Pensions Bill is to be introduced it should at all events be a supplementary measure, by which any person otherwise eligible who has resided in any part of Australia should have the advantage of receiving an old-age pension, although he has not lived for twenty consecutive years in any one State. I shall be prepared to give a modified support to a Bill of that character. I was pleased to hear Senator Mulcahy's views in regard to preferential trade. Preferential trade in his opinion seems to be a kind of modified protection, and those of us agreeing with that view who have always been advocates of free-trade cannot, therefore, be expected to give it our support. It was very satisfactory to some of us who have lived a long time in Australia to observe that the Prime Minister desires to attract population to these shores. To my mind this was rather a pleasant declaration of policy on the part of the Government, because rightly or wrongly I was under the impression that the Immigration Restriction Act had had the opposite effect. I hope, however, that as a consequence of the policy now advocated, we shall have a large European immigration, and shall not put any undue restrictions on the immigration of white workers.

Senator MCGREGOR.—Where would the honorable senator put them; in the destitute institutions or the lunatic asylums?

Senator WALKER.—I can tell the honorable senator of many parts of Australia where any man who is willing to work can get work to do. But the difficulty is that a large proportion of the unemployed will stick to the cities and will not go to the bush.

Senator DAWSON.—There are more men out of work in the bush than there are in the cities in proportion to the population.

Senator WALKER.—And why? Because they insist upon a minimum wage. Many a man who is willing to employ labour cannot afford to pay 7s. 6d. a day. That is the case in New South Wales for instance.

Senator DAWSON.—That does not apply to the bush.

Senator WALKER.—They get up their unions in the bush in New South Wales as well as in the cities. I will give an instance—I dare say there are a number of other cases which could be cited. This case did not occur in the bush; but the document I have shows a tendency, and I should like to read it. It is as follows:—

The Saddlers' Union proceeded in the Arbitration Court yesterday against John Booth for employing a non-unionist.

A non-unionist, apparently, is not to be employed nowadays. The document proceeds—

Booth is a young saddler, who has just started for himself, but employs nobody. Some time ago one of his old comrades called on him and told him a distressful story. Booth thereupon gave his friend ros. for nine hours' work. He did not want his services, but only desired to do him a kindness in his need. That was the offence for which he was proceeded against. His Honour Mr. Justice Cohen suggested that they should settle the matter, but the Union held out for its costs, and finally no penalty was imposed, but costs to the amount of ros. had to be paid by Booth.

My view is that a Court of Conciliation and Arbitration ought to be voluntary; but I am always willing to bow to the majority.

Senator GUTHRIE.—If the parties will not agree, what would you do?

Senator WALKER.—I do not know, but I have generally found, in going through life, that I can settle matters voluntarily without resorting to law.

Senator GUTHRIE.—But if the two sides will not agree?

Senator WALKER.—If they will not they must take the consequences. Compulsory arbitration is, in my opinion, against liberty, and I have been brought up to think that we ought to be able to do what we like with our own. The new unionism is not the

same as the old unionism, though the latter apparently is what John Burns believes in.

Senator DAWSON.—No; the old unionism is obsolete.

Senator WALKER.—No doubt the new unionism may have its good points, but it subverts the axiom that all men are equal in the sight of the law, seeing that it places unionists on a higher plane than non-unionists. As to the Navigation Bill, I think that Western Australian senators have their own reasons for not going the extreme length of saying that colonial rates of wages must be paid on all ships trading between that State and the Eastern States; at all events, those reasons will hold good until the transcontinental railway is decided upon. When the proposal for that railway is brought forward I intend to support it, provided Western Australia and South Australia will guarantee to bear any loss until the railway itself pays. My own impression is that the railway will pay much sooner than is generally supposed.

Senator DAWSON.—Any loss must be a Commonwealth charge.

Senator WALKER.—Why not give land grants to induce persons to build the railway?

Senator DAWSON.—Certainly not.

Senator WALKER.—The South Australian Government are offering land grants under similar circumstances.

Senator GUTHRIE.—The South Australian Government are offering 90,000,000 acres, and nobody will take the land up.

Senator WALKER.—Is it not better to have land taken up under such a system than to have it lying idle?

Senator GUTHRIE.—But people will not take up the land.

Senator WALKER.—Have the tenders been received yet?

Senator GUTHRIE.—No.

Senator WALKER.—We must wait until the tenders are in before we can know whether the land will be taken up. I agree very much with what Senator Neild said in regard to the method of addressing the two Houses in His Excellency's speech, and I can only regard what has been pointed out as an omission. I gathered from what the Attorney-General said on a former occasion that he would see that our rights were recognised in communications of this nature. I am one of those who think that we are not called upon to interfere with what our co-colonists choose to do in South Africa, although it is quite true, as Senator Tren-

with pointed out, that we did a great deal to assist them in their trouble and distress. I shall not deal with the defences, to which Senator Neild referred, because, I fear, I should be unable to do justice to the subject. As to the Federal Capital, New South Wales representatives have been twitted by the Victorian press with being provincial on the subject. I know, as well as do most people, that had it not been for this provision in the Federal Constitution, New South Wales would not have entered the Commonwealth. That State federated on the distinct understanding that the provision that the capital should be in New South Wales was part of the Constitution, and that the law would be carried out within a reasonable time.

Senator DAWSON.—The New South Wales Government have agreed to lock up nine sites until one is selected.

Senator WALKER.—I must object to the New South Wales representatives being called provincial, when we are simply asking that the bond which we signed shall be carried out. Without that bond, I doubt whether there would have been federation. I am very pleased that there is an intention to endeavour to reduce the trouble in connexion with the inter-State certificates. Whether or not it is necessary to have an Inter-State Commission I am not prepared to say, but the Treasurer or the Minister for Trades and Customs is the proper person to offer an opinion on that point.

Senator GUTHRIE.—Why have inter-State certificates between Melbourne and Sydney only?

Senator WALKER.—For the reason that it has been discovered that there is very little difference between the two States of New South Wales and Victoria in regard to the inter-State traffic; but this is a matter on which we shall, no doubt, be more definitely informed by the Vice-President of the Executive Council. As to New Guinea, it will be remembered that last session there was a Bill introduced, which, if amended in the way proposed, would have made it impossible for any person, except under medical certificate, to obtain alcohol within the territory. Any person who has been in New Guinea knows that there are very few doctors there, and that the door would be open to smuggling. I shall not elaborate the point, but I hope that there will be the same liberty of the subject there as in Australia. The Government in New Guinea, I am told on good authority, is most careful to whom it grants certificates or licences, and there are

very few cases of aborigines being supplied with spirits. Senator Smith informed us last session that in a certain island, which is within Queensland territory, although nearer to New Guinea, the aborigines were supplied with spirits; but that, it must be observed, was under the Queensland Government. Another matter to which I would like to refer is what is called the gerrymandering under the Electoral Act. I trust that there will be new legislation to give fair play all round. If there is to be over-representation anywhere, I would rather that it were in the bush than in the city; but, as we have decided on equal representation and one adult one vote, we have no right to interfere geographically with that principle. I heartily agree, with others, in hoping that war is far off, so far as we are concerned, and in the opinion that the sooner we agree to settle all our international differences, by means of arbitration, the better it will be for all. I trust that I have not taken up too much time, and that the debate will be closed before we separate to-night.

Senator GRAY (New South Wales).—It was not my intention to address the Senate to-night, sir, but the speech made by Senator Trenwith calls for some remark, not, I hope, from a provincialist, but from one who, whilst he represents a State, feels that he also represents the Commonwealth. In the first paragraph of the address, the Government congratulate themselves on the fact that the severe drought which for seven years devastated Queensland, New South Wales, and part of Victoria has passed away. I am sure that we all rejoice in that fact; but I feel compelled to express the opinion that the severities and calamities which many of our pastoralists suffered in New South Wales would have been far less in extent had the first Commonwealth Parliament been Federal, not only in constitution, but in spirit. The States I have mentioned were suffering, and they appealed to the Commonwealth Government for relief; but whilst there were sympathetic utterances by the courteous Prime Minister, there was practically no response to the requests of the sufferers. I feel sure that the effect of the refusal of the Commonwealth Government to render practical assistance in New South Wales and Queensland will take a long time to obliterate.

Senator DOBSON.—The Commonwealth Government had no power legally to render the assistance asked.

Senator GRAY.—A Minister of the Crown stated publicly that the calamities of one State would be or were the good fortune of another State.

Senator DAWSON.—That is what was said callously.

Senator GRAY.—Then, again, a Minister of the Crown sent a telegram to the *Age* newspaper stating that he objected to the suspension of the duties as one of his constituents had some corn, and therefore objected to the removal or suspension of the Customs duties. These facts have raised throughout New South Wales a feeling of distrust in regard to the Federal spirit, and caused many people to feel that Federation has not been the benefit that was hoped for. The Commonwealth Government had the same authority to act that the American Government had at the time of the Chicago fire, and the same authority that has been exercised by the Governments of suffering countries in times past. I was one of those who happened to be a member of the Sydney Lord Mayor's Drought Relief Committee, and I am certain that if Senator Dobson had seen the letters which came to us he would have admitted that the circumstances were equal to those which in times of calamity have caused the Governments of other countries to extend assistance to their people.

Senator DOBSON.—It was a matter for the State Government.

Senator GRAY.—Sir John See stated that it was the duty of the Federal Government to take action, and the Federal Government stated that it was the duty of the State Government, and we fell between two stools. At all events, there has, I am sorry to say, been created a feeling of distrust in the administration of the Commonwealth Government.

Senator DAWSON.—The reason for inaction was that there was a good crop in South Australia.

Senator Lt.-Col. NEILD.—The duties had not been passed. They were being collected at the time by virtue of an executive act of the Government.

Senator GRAY.—The Prime Minister and other gentlemen told us that as the Tariff had not been then passed, the suspension of the duties could be effected, and if ever a deputation left a Minister with the belief that he was going to give practical effect to his words that deputation did. But, unfortunately, he was probably overruled by others who had not

the great sympathy with our views that he had. The Minister for Trade and Customs Sir William Lyne, said that the drought had been very much exaggerated, and that in times gone by he had known of far more severe droughts. That statement was made after the drought had extended over the long period of seven years, and had been more severe in its effects than any previous calamity of the same kind. I wish to refer to the question of selecting the site for the Federal Capital. I am one of those who took an interest in the formation of the Commonwealth, and I still believe that, although we have difficulties to contend with in the past, and have difficulties to contend with now, hereafter we shall feel as a nation that we did right in federating. I believe that if a vote were to be taken tomorrow on the question of whether New South Wales should enter the Federation there would be a majority of four to one against the proposal. That feeling has to a great extent been created by the want of sympathy with that State during the drought, and it has been accentuated by the fact that the bond which was made by New South Wales with the federating States has not been carried out. The people of New South Wales think that there has been sufficient time for the Commonwealth, if it had been in earnest, to submit a site for the Federal Capital for the consideration of the Parliament of New South Wales. There is not an honorable senator but knows that during the recent elections the conduct of the press of Victoria and of the press of other capital cities has not been in accordance with the spirit of that agreement. I am speaking from a knowledge of the feeling of a large proportion of the people of New South Wales, when I say that if the settlement of this question is left in abeyance, it will do an incalculable amount of injury to the Federal spirit, and create in the mother State a feeling that she has been hoodwinked and injured by the other States. I feel sure that honorable senators will do their best to faithfully carry out the compact with New South Wales in that regard. That State made, or believes that she made, many sacrifices to enter the Commonwealth, and therefore I hope it will not be long before the promise made in this opening speech by the Prime Minister will be kept, and a site will be chosen for the Federal Capital. I feel that preferential trade is not a question of practical politics to-day. It will be suffi-

Senator Gray.

cient for this Parliament to take the question into consideration when it has been sanctioned by the people of the United Kingdom. At the present time, we are simply in the dark as to what it means. The Government of the Commonwealth appears to me to purposely evade the responsibility of taking any definite action or making any proposals to Mr. Chamberlain or to his representatives in the old country. Perhaps that may be policy, but I think that it is not altogether straightforward. If the Ministry has seen fit to cable to England its acceptance of the principles of his doctrine, I think it should go a little further and say how far it is prepared to go. In the matter of the contracts for the building of steam-engines, I could not find that any preference had been shown to Great Britain. I cannot see where any preference can be brought about to Great Britain, unless we practically indicate from our stand-point what preference means. If it means that the Tariff is to remain as it is, and the foreigner is to pay an increased duty, that we shall know where we are. If it means that the Tariff is to remain where it is, and a preference is to be given to Great Britain, while in some isolated cases the duty is not to be raised, then I think we shall know pretty well also where we are. But at the present moment we are entirely in the dark as to what Mr. Chamberlain is prepared to accept or what the Government of the Commonwealth is prepared to give. We should be very careful before we cause any distrust on the part of those who are doing business with us outside the old country. I believe that in the future Australia will find that her great trade will be done with those countries which border on the Pacific, and it would be folly for us to create a coolness between those countries and ourselves in regard to trade before the matter has been most carefully thought over. We have a yearly increasing number of foreign wool and cereal buyers. The great proportion of the trade in Sydney, and I believe, in Melbourne, goes direct to foreign countries, and a large amount of money is saved. I think, therefore, that we should be very careful before we take any action in the matter of preferential trade. With regard to the employment of Chinese on the Rand, I am one of those who think that no fault can be found with the telegram which has been sent to the Government of the Transvaal. I am not altogether in favour of what is termed a

white Australia. I have an objection to the introduction of undesirable immigrants, but I would not go any further than that, because I believe that there are many parts of this continent which it would be utterly impossible to develop except by the use of labour not altogether white.

Senator GUTHRIE.—Has the honorable member ever tried it?

Senator GRAY.—No, but I have been in Queensland, the northern part of South Australia, and in Western Australia. I have been pretty well through the whole of Australia, and, whilst from the point of view of the late Sir Henry Parkes, I should object to alien races coming in except under special provisions—

Senator GUTHRIE.—As slaves?

Senator GRAY.—Not as slaves. If the honorable senator is referring to kanakas no one who knows anything of those people can say that they are slaves. They are anything but slaves. They are far happier here than in their own country, and at the end of their agreement the majority of them prefer to remain here. They are decreasing in number, and I think that there are far worse darkies coming to Australia than the kanakas. It is well known that a certain company imports a very large number of coolies from India to Fiji, and these are very much more degraded than the kanaka. As a matter of principle, I believe it is right that the alien races should be kept apart from the white races. But I believe that we shall be doing ourselves a very great injustice if we do not recognise that in many parts of Australasia there are large and valuable territories which can only be utilized and worked by labour other than white. I contend that under proper regulations not only would Australia be benefited by the employment of coloured labour, but that the white labour of Australia would be very materially benefited. The white labour of Australia can only be healthily increased and profitably used by the development of Australia as a whole, and not by what is termed the development of Australia for a class. I feel certain that the Labour Party of Australia would be all the better if they would consider Australia as a whole, and recognise that there are large areas of country, which can only be developed by labour other than white.

HONORABLE SENATORS.—No.

Senator GRAY.—After having travelled throughout the length and breadth of Australia I can only tell honorable senators honestly what I think. They may not be

in accord with me. I believe that they honestly hold their own opinions, and I must be allowed to hold mine.

Senator GUTHRIE.—The honorable senator only thinks it, whereas we know it.

Senator GRAY.—From the labour point of view I have had as large an education as any member of the Labour Party in the Senate. I have been a labouring man. I have been an employer of a large number of labouring men. I have travelled, as I have said, throughout Australia under conditions that made it necessary for me to inquire into labour, and while I trust I should do nothing that would injure to any extent or in any form any of the Labour Party in New South Wales, or anywhere else. I do ask members of the Labour Party to consider that they can themselves flourish only by what I term the proper development of Australia as a whole. If we legislate in such a way as to keep out labour, we shall be keeping out the means by which Australia is to be developed in its entirety. This will recoil upon ourselves, and the Labour Party of Australia will suffer more than any one else. I may be wrong, but those are my views.

Senator PEARCE.—Black labour or white?

Senator GIVENS.—What industry is black labour necessary for?

Senator GRAY.—I do not know what the honorable senator means by the interjection "black labour or white?" Is the Japanese labour black labour?

Senator GIVENS.—It is coloured labour.

Senator GRAY.—Are British subjects coloured labour?

Senator GIVENS.—Some of them are.

Senator GRAY.—Then all I can say is that a lot of people who go to church and chapel and speak of their "brothers" there, have a very poor idea of brotherhood.

Senator GIVENS.—The honorable senator would not like to take some of them into a room and eat with them.

Senator GRAY.—I think that is not argument, but I perfectly agree with the honorable senator in that. At the same time, I do not believe that we must have a white Australia in every essential, or that we should keep out everybody not of the same colour as ourselves under every circumstance and in all conditions. We shall not gain any advantage by such a policy as that.

Senator PEARCE.—How far would the honorable senator extend the exemptions?

Senator GRAY.—There the honorable senator asks a very difficult and delicate

question. The regulations under which kanakas live in Queensland are such that they have practically no intercourse with the white people of Queensland at all. I am sure that Queensland representatives in the Senate will agree that that is a fact.

Senator GIVENS.—It is not a fact.

Senator GRAY.—Then the honorable senator will, no doubt, be able to point out in what respect it is not a fact, and why it does not apply. At the expiration of their term of agreement the kanakas are deported.

Senator GIVENS.—No, they are not.

Senator GRAY.—The honorable senator knows that if they are not they should be.

Senator GIVENS.—A late Premier of Queensland was fined for illegally employing a kanaka.

Senator GRAY.—Then the law should be brought into operation. That is all I can say.

Senator GIVENS.—Why restrict them if they are "brothers," as the honorable senator says? Why not allow them to engage in every kind of work?

Senator GRAY.—I thank honorable senators for the patience with which they have heard my few remarks. As this is my first speech in political life, I may say that I feel, at all events so far, very happy here amongst honorable senators, and I hope that whilst we shall differ in advocating that which we believe to be true, we shall all try to do our best to make the people of the Commonwealth happy and prosperous in their varying conditions, although we may disagree as to the modes by which this can be best effected.

Senator GIVENS (Queensland).—I should not have troubled the Senate at this early stage after my entry into the Chamber were it not for the remarks which have fallen from the last speaker, who, I believe, represents New South Wales, the mother State of the Commonwealth. I think the honorable senator would have been exceedingly wise if he had confined himself in the remarks he had to make to subjects upon which he has sufficient knowledge to enable him to enlighten the members of the Senate. He has directed his chief remarks to a question which affects the far northern part of the Commonwealth, about which he has very little information, and about which the information he has is not reliable or correct. The honorable senator was exceedingly generous, inasmuch as while pointing out the blessings to be derived from the free im-

portation and free employment of all sorts of coloured labour, he was prepared to give this labour to us in the north of Queensland whilst he did not want any of it for his own State.

Senator GRAY.—I want it anywhere where the conditions are natural to it.

Senator GIVENS.—I desire to enlighten the honorable senator with regard to the conditions in North Queensland. It is said that white men cannot live and work in North Queensland, and yet I stand here, after spending twenty-two years in the country as far north as Cairns, and I can hold my own with any Victorian of my age today.

Senator GRAY.—Has the honorable senator been on the cane-fields?

Senator GIVENS.—I have been on the cane-fields. When I came out as a mere boy, a new chum from the old country, I worked on the cane-fields on the Herbert. I shall be able to supply the honorable senator with a few facts about the employment of coloured labour on the cane-fields before I conclude. The honorable senator referred to the kanaka regulations, and said that if they were faithfully observed, as he admitted they ought to have been, there would have been little injury resulting to the white race, as the kanakas would not be brought into contact with the white people. When the honorable senator speaks of the kanakas as men and brothers, and appeals to the Christian feeling of the Senate, and to the feeling of men who go to church and regard all human kind as brethren, I must say that his brotherhood is of very little account when he wants to enslave these men, because directly we apply regulations to them which are not applied to the other citizens of the Commonwealth, they are to that extent slaves. I should like to know what regulations he would apply to the kanakas or to other coloured labourers brought here. Would they be similar to the regulations which the mining magnates of South Africa propose to apply to imported Chinese?

Senator GRAY.—No; the present kanaka regulations.

Senator GIVENS.—I shall try to point what some of these regulations regarding importation of coloured labour should be in the opinion of men like the honorable senator who last spoke. I have in my hand a copy of some of the regulations proposed by the South African mining magnates to govern the importation of Chinese labour into that country.

Senator GRAY.—They do not apply.

Senator GIVENS.—I shall show that these men are proposing the imposition of a system of slavery upon the Chinese who are to be imported under regulations similar to those applied to the kanakas. It is very amusing when we hear these people talking of a brotherly feeling for these coloured races to find that the only brotherly love they are prepared to extend to them is the desire to draw them into their arms in order that they may make a little extra profit out of them. We hear them getting up and "prating" about their loyalty to the Empire, and about the magnificent Englishman. We are told how reliable he is, and how fine a man, but when it is a question of a day's work to be done, that he may earn a little to keep his wife and family, we find that he is not reliable at all, and that these people must have the kanaka in his place.

Senator PEARCE.—He is a good man to stop a bullet.

Senator GIVENS.—I find that these are the regulations proposed for the introduction of Chinese into South Africa—

Senator GRAY.—I was speaking of the kanaka regulations.

Senator GIVENS.—I desire to point out to the honorable senator that these regulations are very similar.

Senator GRAY.—I have nothing to do with them. I am not responsible for them.

Senator GIVENS.—I say that they are very similar to the regulations governing the introduction of kanakas, and unless I am ruled out of order, with all due respect to the honorable senator, I shall proceed to tell the Senate what these regulations are like. I find that the first provides that so long as the labourer remains in the colony, he shall be employed only in unskilled labour necessary for the exploitation of minerals. That is exactly similar to one of the regulations under which kanakas were introduced into this country. It was provided that so long as the term of their engagement continued they should be employed only in tropical agriculture. As their freedom was restrained they were to that extent absolute slaves. Another of these regulations provides that the labourer shall only serve the person introducing him, or any person to whom, after he has obtained a licence, the first person may lawfully assign his right. Under this, the man who first introduces the labourer has for the time being a right over his body, soul, and all, and can assign him to any other individual. This is pure, unadulterated slavery,

and yet here in the twentieth century, and in this young Commonwealth, we find men so opposed to modern thought and proper progress that they are prepared to rise in this Chamber and advocate that we should taint this young Commonwealth by the adoption of a similar system here.

Senator GRAY.—That is not the agreement made with the kanaka.

Senator GIVENS.—It is exactly in the same terms. The kanaka is hired for three years to the original indentor. He must work for the three years for the original indentor under almost any conditions the employer chooses to impose upon him, and the indentor has the absolute right to assign his services to another individual. I have lived in the districts where kanakas are employed in the State of Queensland during the last twenty-two years, and I know what I am saying.

Senator HIGGS.—They sell a plantation and the kanakas on it as part of the chattels.

Senator GIVENS.—A third condition in these regulations is that the end of the term of the contract, the labourer is to be returned without delay, at the expense of the importer to the country of his origin. There are a number of other conditions with which I need not trouble the Senate. These conditions are almost identical with those under which kanakas have been introduced into Queensland. I believe the first of them were introduced into that State in 1863, and the people who imported them said they only required their services for a little time, in order to give the sugar industry a start. In 1884, the then Premier of Queensland, Sir Samuel Griffith, who is now Chief Justice of the Commonwealth High Court, introduced and passed a law enacting that after the year 1890 no more kanakas should be imported into the country. Soon afterwards, in response to an outcry by interested persons who were concerned, not for the welfare of their State, but for their own miserable profits, who had absolutely no patriotism, and were prepared to see the whole country populated by coloured aliens, with their thousand and one stinks and abominations, rather than by people of their own colour—in response to their interested outcry, after there had been a coalition between Sir Samuel Griffith and Sir Thomas McIlwraith, an ex-Premier of Queensland, a Bill was introduced into the Queensland Parliament to extend the time for the importation of the kanakas. The great kanaka apostle of Queensland, who is, at the present time, occupying the position of Speaker of t'

Queensland Legislative Assembly, Mr. A. S. Cowley, the representative of a far Northern sugar district, stated, as the records of the Queensland Parliament will show, that all the planters wanted was the right to introduce kanakas for another ten years, and that if they were given that they would be satisfied, and would ask for nothing more. That period has more than expired, and yet we find them continually making an outcry for the further introduction of kanakas.

Senator GRAY.—The number of kanakas is decreasing, as the honorable senator must know.

Senator GIVENS.—I point out that if the number is decreasing it is in no sense due to any effort on the part of the planters. It is due rather to the wise action taken by the first Commonwealth Parliament in its first session. The honorable senator made a great point of the statement that these kanakas, or other coloured labourers, for I believe he included other coloured aliens, as well as kanakas, were introduced for a specific purpose, and that so long as they were confined to that specific purpose they could do no harm to the white population. That is a very great mistake, indeed, because, although they were imported for a specific purpose, I maintain that it was altogether wrong to import them for any purpose whatever. The fact of their importation in the first place was a grievous wrong in the sight of God and man, because in a large number of instances they were absolutely kidnapped from their islands. That statement can be verified from the mouths of former Government agents, who are now out of employment in Queensland, and can afford to speak the truth. They can tell how kanakas were decoyed on board the recruiting ships, and how they were enticed by trumpery articles of trade. It was a crying shame that this system should have been tolerated at all, and the sooner this offence against right and justice is remedied the better it will be for the people of this country. Our case is supported by the Queensland statistics, showing the numbers of kanakas who were killed off in Queensland when we got them here. The statistics show that, although the kanakas imported into Queensland are all adults, and comprise no young children or old men—they are over 17 or 18 years of age when they are imported—yet the death rate among them is three times the death rate amongst the white population. The death rate amongst the kanakas ought to be one-half if the usual proportion of deaths

to population were observed. The figures prove that we are killing them off at about six times the normal death rate. And why? To make extra profits for the sugar planters, the friends of Senator Gray.

Senator GRAY.—They are not friends of mine. I do not own any plantations, nor do I employ any kanakas.

Senator GIVENS.—The planters are fortunate to have such an advocate in the Senate. He may have shares in the banks which are interested in the plantations, but I do not desire to insinuate anything of that kind. With regard to the competition of the kanakas with the white race, it is an undeniable fact, which is known to everybody who knows anything about Queensland, that kanakas are employed on almost every conceivable work in that State. Not so very many years ago an ex-Premier of Queensland—the late Sir James Dickson, who was one of the first Ministers in this Commonwealth—was fined in the courts of Brisbane for illegally employing a kanaka coachman. Some other gentlemen were also fined for illegally employing kanakas.

Senator WALKER.—Perhaps it was a free "boy" whom Sir James Dickson employed.

Senator GIVENS.—If the "boy" had happened to be a free "boy," Sir James Dickson could not have been fined for illegally employing him. It would not have been illegal to employ him on any work if he had been a free "boy." That is plain to the dullest understanding. When Senator Walker makes a distinction as between free "boys" and other "boys" he tentatively admits that the other "boys" are to some extent slaves.

Senator WALKER.—There are apprentices.

Senator GIVENS.—In the Cairns district, from which I come—and I believe I have the honour of coming from the furthest northern part of Australia of any member of this Parliament; I have lived there a long time now—to my knowledge kanakas have been employed at all kinds of work, whilst at the same time white men are going round looking for work and cannot get it to do. During the crushing season at the sugar mills in Cairns the kanakas are busily employed in cutting cane. There is work for some white men during that season, in connexion with the mill business—in harvesting the crop, in crushing the cane, and in making the sugar. But directly the crushing is over the kanaka boys are made available for doing general

work. The white men who were formerly employed are all sacked, and the kanakas are employed in their places. I have seen kanakas engaged in fettling on the tramways, and in doing all sorts of other work which white men ought to do, while white workmen are humping their swags along the roads, and looking at kanakas engaged in employment that ought to be theirs.

Senator DOBSON.—What are the inspectors under the Act doing?

Senator GIVENS.—The inspectors are there only as a blind. Until recently the Queensland Government was simply the representative of the classes who employ the kanaka, and was always agreeable to "winking the other eye" at offences against the Act.

Senator DOBSON.—Then what have the labour members been doing?

Senator GIVENS.—We have been conducting a vigorous agitation for the last fifteen years against kanaka labour, with the result that at the last election we swept the polls against this villany.

Senator DOBSON.—If public opinion was behind them the laws would have been carried out.

Senator GIVENS.—The only law which we want to see carried out with respect to the kanaka is a law which will leave him in his own islands, where he was flourishing and happy before we interfered with him. I have known of hundreds of cases of men who illegally employed kanakas at work which was not contemplated by the Act or the regulations. I know of one planter who employed a whole mob of them in the scrub behind Cairns, at an elevation of 2,500 feet, cutting cedar. The ex-Premier of Queensland, Mr. Robert Philp, some twenty years ago employed a whole mob of kanakas in the Atherton scrub, getting cedar, although he knew that he was the last man who ought to have done it.

Senator GRAY.—Was that not before the regulations were framed?

Senator GIVENS.—No, there were regulations which were supposed to be in force ever since kanakas have been imported. Any one who knows anything about Queensland is aware that kanakas have been employed wholesale at work which it was never contemplated that they should be allowed to do when their importation into the State was permitted. They are illegally employed. Take the case of the Mulgrave Central Mill in the Cairns district as an example. The Queensland

regulations regarding kanakas provide that they can be employed only by their indentors upon tropical agriculture, and upon the indentor's own land. Now the Mulgrave Central Mill is a mill put up at a cost of about £60,000. The money was lent by the people of Queensland for the purpose of assisting the co-operative farmers, in order to enable the small growers to grow sugar-cane by white labour. After a while they got a concession enabling them to grow cane by any sort of labour. This concession was made to enable them to provide sufficient cane for the mill. The company at that time did not own any land, nor did it own a single stick of cane. Yet the company hired 250 kanakas for over three years, and it is continually evading the law by hiring out kanakas to farmers who have work to do which they want to have done by kanaka labour. That action was done by that company, deliberately, to get ahead of the Commonwealth legislation, and so as to be sure of a plentiful supply of their beloved kanakas, no matter what the Commonwealth did. I see that the company referred to is taking a contract for clearing away a quantity of scrub, about forty miles away from the mill, on the high tableland behind Cairns. That work will be done by kanakas, although it is work at which kanakas will be illegally employed. These facts are sufficient to show the wholesale manner in which the Act is evaded.

Senator DOBSON.—Does not that prove that, although Queensland joined in the cry for a white Australia, she does not believe in it?

Senator GIVENS.—Queensland does believe in the policy of a white Australia. People like the honorable and learned senator who interjects, have maintained that kanakas are absolutely necessary for work in North Queensland. Now, any time during the last ten years, when North Queensland had an opportunity of expressing its opinion, it has returned a majority of representatives opposed to the introduction of any more kanakas, or to the retention of those who are already in the country.

Senator DOBSON.—That is the extraordinary feature of the situation. Yet the law is broken, as though the people were in favour of a black Australia.

Senator GIVENS.—Unfortunately we have a very fraudulent franchise up there. It is a franchise that was maintained entirely in the interests of the wealthy classes, who desire to have a monopoly of the

Government of the country. Yet, in spite of that, any time since 1893, North Queensland has sent to the State Parliament an absolute majority of representatives who are utterly opposed to black labour.

Senator DOBSON.—What is the use of a majority if the people do not believe in the underlying principle of the legislation which they advocate? The honorable senator proves too much.

Senator GIVENS.—Senator Dobson says that the people do not believe in the underlying principle of the white Australia policy. He seems to think that because a few of the "big guns" employ kanakas wholesale, and deprive working men of the employment which is their due, they are the country. I dispute that. I say that the few capitalists who are the advocates of the kanakas are not the country, nor are they a majority of the people of the country.

Senator DOBSON.—I am taking the honorable senator's facts.

Senator GIVENS.—The facts that I state are that, in spite of the people having expressed time after time an emphatic opinion upon this matter, kanakas are forced upon the country and employed upon all sorts of work, which is illegal. I have proved that statement. There are some people who while theoretically objecting to the kanaka still employ him, and wish to keep him there. There are likewise dozens of people who, while employing kanakas, object to their presence in Queensland. A small section, again, desire to employ the kanaka to increase their profits, irrespective of any humane considerations. The only reasons they have are their desire to increase their profits, and they are usually hard and callous and indifferent towards their fellow white subjects who are out of employment, and without the means of obtaining food for their wives and little ones.

Senator DOBSON.—When laws are broken wholesale, it generally means that the majority of the people are opposed to them.

Senator GIVENS.—The fact that these laws were in existence proves the point I started out with, namely, that the employment of kanakas is a sort of limited slavery in disguise—the insistence on the regulations proves that point up to the hilt. As to whether or not white men can do this work I should like honorable senators to remember that white men are doing it at the present moment, and the reason that a larger number are not similarly engaged is the illegal employment of kanakas. I

have already mentioned the Mulgrave Central Mill.

Senator WALKER.—Is that a co-operative mill?

Senator GIVENS.—Yes.

Senator WALKER.—Then the persons who have shares have their own properties.

Senator GIVENS.—That is so I believe; but unfortunately they are not always the arbiters of their own destiny, seeing that the banks, who hold the mortgages, dictate terms to them.

Senator WALKER.—I cannot believe that.

Senator GIVENS.—I may be allowed to explain one direction in which these people are coerced. At the beginning of last crushing season, eleven of the co-operative farmers in this mill, including two of the mill directors, wanted to register as growers of cane by white labour in order to obtain the bonus, and they applied to the mill for permission. What do honorable senators think the reply was? It was that the company would permit them to harvest their cane by white labour, provided that in addition to paying for that labour, they paid their full proportion of the cost of maintaining 250 kanakas whom the company were illegally employing. That reply was set down in black and white, and has been published in every newspaper throughout the State; and I had the honour of sending copies of those newspapers to the Commonwealth Government. Was that coercion or was it not? Was it a fair proposition? The reason was that the company, having illegally employed 250 kanakas, had to find work somehow, and it compelled these farmers to continue growing by coloured labour. That will give some idea of the methods of coercion employed against people who desire to carry out the Commonwealth ideal of a white Australia. Another reason why they desired to coerce the farmers was that until the date of the last Federal election, the men who advocated the employment of coloured labour in Queensland hoped that if they could continue to bark loud enough and howl long enough they would induce the people of Australia to believe that white men could not do the work—that they would be able to have the whole question reconsidered by the Commonwealth Government and Parliament, and possibly get the legislation reversed. These people tried by every means in their power to place difficulties in the way of the employment of white men, and when white men were engaged there was an endeavour to represent the experiment as an absolute

failure in every case. The planters in North Queensland have thrown away their whole case when they admit that a white man can or may do the work ; but they raise the question whether there is enough white men to take the place of the kanakas, and their great argument is the alleged unreliability of the white labourer. The white man is reliable when the country is in a real difficulty—when there is real work to do in the expansion of the Empire the white man is called upon. But when it comes to his earning his daily bread after the fighting is over he finds that he is not wanted.

Senator DOBSON.—Is the white man reliable day after day in the cane field

Senator GIVENS.—As a matter of fact, every other industry of North Queensland finds no difficulty in obtaining sufficient white labour.

Senator WALKER.—What about the pearl-shelling industry?

Senator GIVENS.—I shall deal with that matter presently. At Charters Towers and in other places in the far north, such as Croydon and Chillagoe, there is no difficulty in obtaining a sufficiency of reliable white labour ; indeed, there are far more men looking for work than can find profitable employment.

Senator GRAY.—That is different work from cane growing.

Senator GIVENS.—In other districts of Queensland, where a large number of agricultural industries are carried on, no difficulties are found in getting sufficient reliable white labour.

Senator DOBSON.—What are the white agricultural labourers paid?

Senator GIVENS.—The pay is rather small, ranging from 15s. per week and found in Northern Queensland.

Senator DOBSON.—Does the honorable senator mean to say that sugar-planters would not pay that much for white labour?

Senator MCGREGOR.—They would not give 5s.

Senator DOBSON.—But one honorable senator has said that the pay ought to be £5 per week.

Senator DE LARGIE.—And quite little enough.

Senator GIVENS.—There is no agricultural industry in Australia, and very few other industries of any kind, which is so little dependent as the sugar industry on reliable labour. If a crop of wheat, barley, or other cereal is not harvested within a week a large portion is lost, and if it be not harvested within a

fortnight it is all lost. On the other hand, if you do not harvest a cane crop until next week, or even next month, there is no loss, and, indeed, the crop may improve.

Senator DOBSON.—The honorable senator forgets that the mills require to be fed every minute.

Senator GIVENS.—Of course, and so do the stomachs of the unfortunate white men who want labour. There are other considerations besides those of trade and profit. In my opinion the well-being of the citizens of the Commonwealth is of quite as much importance as that of profit, although that may be rather an obnoxious doctrine for the honorable senator. In many cases, even if the cutting of the cane is postponed until the next season, it is not all lost ; and the cry about the absolute necessity of getting a sufficient supply of reliable labour is absolute bunkum. As to the mills having to be fed, there are quartz mills and other mining machinery, which in some instances represent quite as much capital as a sugar mill, and there is no difficulty in keeping them constantly supplied without employing kanakas.

Senator DOBSON.—That is skilled labour to a great extent.

Senator GIVENS.—It is not skilled labour in the usual acceptation of the term. Although the miner may be recognised as a skilled labourer, he does not come within the same category as an artisan. All labour that I know of requires a certain amount of skill, and I believe that if Senator Dobson attempted to become a cane-cutter he would require some little practice before he got expert.

Senator DOBSON.—It is black-fellows' work for all that.

Senator GIVENS.—I totally disagree that any work is black-fellows' work only. There is nothing dishonorable or degrading in any white man, not even in Senator Dobson himself, undertaking any kind of rough work. There is nothing so dignified in the world as labour.

Senator GRAY.—We all think so.

Senator GIVENS.—The belittling of labour, or of any kind of labour, is one of the worst things that can happen in a community.

Senator DOBSON.—I am not belittling labour, but stating an historic fact.

Senator GIVENS.—It is not an historic fact that any kind of work is only black-fellows' work.

Senator DOBSON.—Cane-cutting is black-fellows' work.

The PRESIDENT.—I must ask honorable senators not to interrupt, but to allow the speaker to continue his address.

Senator GIVENS.—Any sort of work, even cane-cutting, is dignified. In my opinion it is far more dignified to labour at cane-cutting, or even in driving a night-cart, than to be the man who lives on the profits sweated out of such labour. The strength of this young nation, which we are trying to build up, will depend almost entirely on the willingness of the people to put their hands to all kinds of employment, and do their best to expand the industries of the Commonwealth. Should the idea be put into the minds of the people that any work is degrading, and fit only for black-fellows, the results will be disastrous, indeed, for the Commonwealth. Let me give a few instances of the "reliability" of the kanaka. A few years ago a kanaka, employed at the Mulgrave Central Mill, was so "reliable" that in self-defence the overseer had to shoot him dead. I never heard of a case in which the overseer of a white gang had to take such a step in order to protect his life. At the present moment, in the Cairns district, a kanaka is undergoing three months' imprisonment for attempting the life of an overseer. A little while ago a kanaka was so "reliable" that when one Sunday morning he spied a little girl coming home from Sunday school he attempted to gratify his lustful passions, and in doing so killed the child, and he was so "reliable" that while in gaol he killed two men. These are the sort of men whom Senator Gray desires to fasten on Northern Queensland.

Senator GRAY.—I never made any statement of the kind; I never thought of such a thing.

Senator GIVENS.—I could quote innumerable similar instances.

Senator GRAY.—Innumerable instances of white criminals might be quoted.

Senator GIVENS.—I am sure that the honorable senator cannot quote a single instance in which a man of a white gang has had to be shot dead in order to protect the life of an overseer. With regard to the reliability of the white men, in 1902 a number of farmers engaged with the Mossman Central Sugar Mill—the most northern sugar mill in Australia—to grow cane by white labour, and the company engaged a gang of labourers to harvest the cane for them. In this instance it was the company and not the farmers who engaged the gang of labourers, and their agreement was to supply 50 tons of cane per day to the mill.

Some time afterwards the company gave them notice that as more cane was registered for the rebate they would like the gang to agree to deliver 70 tons of cane per day to the mill. The white gang agreed to do so, and continued to deliver increased quantities of cane to the mill. At a later date—the 24th October, I think—the company gave them notice to reduce the quantity of cane to be delivered to the mill to 50 tons per day, and the men did so. That shows conclusively that the men were delivering to the mill more cane than the company required of them. I wish honorable senators to take particular notice of this fact: that on the 24th December the company gave the men notice that as they were not delivering the stipulated quantity of cane to the mill per day their contract should cease, and that the £100 which they had deposited in order to secure the contract should be forfeited. I can produce the certificate of the Customs officer to show that in that week—Christmas day fell in the middle of the week—the men not only supplied the stipulated quantity of 50 tons per day, but supplied 20 tons additional. Although on Christmas Day and Boxing Day it is permissible, and even allowable, for men to go and have a little recreation, yet, so anxious were they to fulfil the conditions of the contract and to give no cause for any complaints, that they worked on those two days, and continued to supply the full quantity of cane. In that week they supplied 250 tons, which was about 20 tons more than the stipulated quantity, and they would have supplied much more, only that on the Saturday when they finished up the contract, they only supplied eleven trucks. They did not cut any cane on that day, but merely cleaned up what had been cut. Yet these are the men who we are told are not reliable, and cannot do the work. It is a crying shame for any one to make an insulting statement of that kind. I maintain that every one, whether in this Chamber or outside, should be sure of his facts before he casts a stigma on his fellow white colonists by telling them that they are unreliable, and cannot do the work required to be done. They are doing the work on every day of the week, they are the men who took their lives in their hands to open up that country. Before ever a capitalist thought of growing sugar-cane in Northern Queensland, the miner went there with his pick and billy, and opened the country in the midst of dangers and difficulties, and yet he is to be insulted by being told that he is not fit to

do the work that is being done there. I believe that, in a very short time, if the proper steps are taken, the sugar industry in North Queensland will be in a more prosperous condition under the new white labour conditions than ever it was at any period of its history when black labour was employed. I believe that this Parliament acted in an exceedingly wise fashion when it legislated as it did in regard to the sugar industry, and the kind of labour that should be employed. Briefly, it enacted that after a certain period the introduction of kanakas should cease; that at the end of 1906 the kanakas then remaining in the country should be deported; that a bonus of £2 a ton should be granted to all growers of sugar by white labour; and that there should be an import duty of £6 a ton on cane sugar and of £10 a ton on beet sugar, and an excise duty of £3 a ton on all sugar grown in Australia. The effect of that legislation is to give a man who grows sugar by any sort of labour a protection of £3 a ton—that is the difference between the excise duty and the import duty—and a bonus of £2 a ton to the man who grows sugar by white labour only. I think that in passing that legislation an enormous blunder was made, and one which I should like to see rectified as soon as possible. The blunder consisted in giving any protection to sugar grown by coloured labour, because I maintain that it is no part of the duty of the white people of Australia to support an industry, or to afford a protection which will not find work for the men of their own race and colour. Let me point out that were it not for the fact that the sugar industry was protected to the extent of £3 a ton, no matter by what labour the sugar was grown, it could not have been carried on successfully, or with any hope of making a profit, even with an unlimited supply of labour in any portion of the Commonwealth, during the last two years, owing to the cheapness with which sugar could have been imported. Refined beet sugar could have been imported at about £10 a ton, and the ordinary 88 per cent. sugar could have been imported from Hong Kong, Singapore, Java, Mauritius, or any other country in which cane is grown largely by coloured labour at £7 10s. a ton. These facts are known to every man who takes an interest in the commercial news of the day. Given an unlimited supply of cheap coloured labour, the planters in Queensland—or, for that matter, in New South Wales—could not have hoped

to compete in the markets of the world without the protection afforded by the Tariff. Therefore when honorable senators hear the planters and their interested press "barrackers" talking about the ruining of the sugar industry, I would like them to remember that it has been absolutely saved by the legislation of this Parliament. I should like to instance a few cases of the sort of ruin, which, according to these persons, has occurred. Prior to the establishment of the Commonwealth, the shares of the Colonial Sugar Refining Company—the biggest monopoly of its kind in Australia—could have been purchased in any of the capital cities for £20 each; but a week or two ago they were quoted at £39 each. In other words, the shares of the company have almost doubled in value. If that is the sort of ruin which has overtaken the sugar industry, I hope that you, sir, and every other member of the Senate will be ruined about ten times a week in the same fashion.

Senator WALKER.—Does the honorable senator know that the company has mills in Fiji, and is building more mills there?

Senator GIVENS.—I do; and I also know that the company has very extensive interests in the Commonwealth.

Senator WALKER.—They are reducing them.

Senator GIVENS.—I hope that the honorable senator will excuse me for contradicting him, because I know that the company is extending its interests in very many instances. Let me now point out the sort of ruin which is being brought on the farmer who is growing cane. In 1902 the Colonial Sugar Refining Company paid the farmers in the Cairns district 4s. 9d. a ton more for cane than they did before federation, while last year they paid 5s. a ton more for cane than they did before federation. If that is another specimen of the ruin which has been brought on the sugar industry by Federal legislation, I hope it will continue to be ruined in the same way. Let us consider the question from the land-owners' point of view, and examine the ruin which has been brought on the sugar industry. In the Cairns district, land capable of growing sugar with the absolute certainty that it would be taken by the mill could be purchased at £10 an acre prior to federation, but cannot be purchased to-day at £25 an acre. I shall quote one instance of the value of land in the district; and I can give the names to anybody who wishes to

verify my statement. A friend of mine in the Cairns district farmed 60 acres of sugar cane with coloured labour for six or seven years and made a very handsome profit. Under the new conditions he took another farm, where he intends to go in for ordinary agriculture at a much higher elevation. He leased his old farm of 60 acres of cane for a term of five years at an annual rental of £250. If that is ruin, I hope that the sugar industry will continue to be ruined in the same way. It is evident that the intention of the Government and the Parliament of the Commonwealth was to make the conditions such that sugar could be successfully produced by white labour, to induce settlement, and perhaps to increase the number of sugar farmers. There is not the slightest doubt in my mind that the object has met with the approval of the people of the Commonwealth. But there is a danger of that good object being defeated, unless some further action is taken, because, although the kanaka has to go after the end of 1906, the Chinaman is largely taking his place and threatens to be a worse evil in North Queensland than the kanaka. As one who has lived where the Chinese are largely in evidence, I claim to be in a position to speak with absolute authority on this aspect of the question. If the good intentions of the people of Australia, as enunciated in the legislation of this Parliament, are to be realized, it is absolutely necessary to go somewhat further, because, after the kanaka has gone away a very large number of the Chinese who are already in some portions of the Commonwealth are likely to be induced by interested capitalists to come along and almost monopolise the industry. At the present moment in the Cairns district the Colonial Sugar Refining Company have contracted to take the cane off 3,600 acres of land which is entirely in the hands of Chinese, and with which no white man is in any way connected. One of the local authorities in Cairns is building a tramway at a cost of £4,500 from the Colonial Sugar Refining Company's mill at Hamilton to their estate, called the Greenhills estate. But after it is built at the expense of the taxpayers of the State it will not serve a single white settler, because every solitary acre of the estate has been leased by the company to Chinese tenants. Of course, the object in building the tramway is to enable the Chinese tenants to cart the cane from the company's estate to their mill. If something is not done to check this state of affairs, in a very short time no white far-

Senator Givens.

mers will be able to secure any of the sugar lands, and those who have sugar lands will not be in a position to get rid of their cane, because it must be remembered that the capacity of the mills to take cane is somewhat limited. So long as they are supplied up to their capacity they can do no more. So long as these greedy companies, such as the Colonial Sugar Refining Company, who have no desire for anything at all except to increase their profits, and other land-owners, can get 6d. per acre per annum more from the Chinese than from the white men, they will continue to lease their land to Chinese.

Senator GRAY.—Is the honorable senator aware that there has never been a strike amongst the workmen of the Colonial Sugar Refining Company?

Senator GIVENS.—If the honorable senator desires to hear a disquisition from me upon the Colonial Sugar Refining Company, and has no objection to remain here somewhat late, I can possibly oblige him. The conditions in the Cairns district are that the sugar lands are gradually falling into the hands of Chinese. The land is being leased to Chinese by the Colonial Sugar Refining Company, and by other land-owners as well, and they maintain that they have very much less trouble with Chinese tenants than with white men, because the Chinese are so much more servile than are white men. I have said that the mills can only take a certain quantity of cane, and so long as they can get it for 6d. per ton less from the Chinese than from white men they will continue to take it from Chinese. Unless something is done to remedy this state of affairs the upshot will be that the very undesirable result will be brought about of allowing the great sugar industry imperceptibly but quickly to fall into the hands of the Chinese. I do not believe that any honorable senator desires that. What is true of the Cairns district in this respect is also true of every other sugar district in Queensland. The Colonial Sugar Refining Company is, I believe, the chief instigator in trying to induce Chinese to take up land, because they find that the Chinese are much more servile, and therefore much more easy to deal with than are the white men. So far as I know the Colonial Sugar Refining Company, their policy with regard to their agreements with their tenants and the men growing cane for them, has always been to allow, and even to assist them to make a living, but they will not permit them to make one cent more if they can possibly help it. The reason is

plain. They desire that these men shall be continually under their thumb. Independent men do not suit the Colonial Sugar Refining company, or any other company whose sole aim is profit. But independent men are wanted in this great country, and we should do everything possible to encourage them. In order that they may be encouraged they should be freed from the degrading competition forced upon them by the growth of sugar by Chinese and other aliens. I should like honorable members to remember that, unless something is done to protect white growers of sugar from the competition of Chinese, the result will be that the white men must inevitably be forced out of the sugar industry or compelled to reduce their standard of living to the degraded standard adopted by the Chinese. Otherwise they cannot afford to pay the same price for sugar land or to sell their cane for the same price. I have given a great deal of thought to the subject, and I say there is only one method by which this competition of the Chinese in the sugar industry can be effectively checked, and by which the good intentions of the Australian people and the Australian Parliament, for the establishment of the industry on a sound white labour footing can be given effect to. I believe that the Commonwealth Parliament should, at the earliest possible moment, increase the excise duty on all sugar produced in the Commonwealth, and make it exactly equivalent to the import duty; and the whole of the excise duty should be given back by way of rebate, or bonus, to the men growing sugar by white labour only, and not one infinitesimal fraction of a farthing to those growing cane by coloured labour.

Senator DOBSON.—The honorable senator will be a clever man if he secures any more bonus for white labour. We are contributing thousands now.

Senator GIVENS.—I do not know that the honorable and learned senator is contributing much. It strikes me that if he used a little more sugar it would suit his constitution. It was undoubtedly the intention of the Australian people and Parliament to protect sugar grown by white labour, and to offer an inducement to them to continue to grow sugar by white labour after the kanaka had disappeared. I believe that Australia is true to that ideal still, notwithstanding Senator Dobson's kindly remarks.

Senator DOBSON.—We cannot afford the revenue. We are losing £25,000 in Tasmania.

Senator GIVENS.—I think it would be a good job for Tasmania if she lost the honorable and learned senator as well.

Senator DOBSON.—Tasmania does not agree with the honorable senator.

Senator GIVENS.—I am entitled to my little joke as well as the honorable and learned senator.

Senator DOBSON.—I shall not interrupt again if the honorable senator does not like it, but we have been accustomed to interjections here.

Senator WALKER.—What about the pearl shelling industry and the labour employed there?

The PRESIDENT.—It would be better if there were fewer interruptions.

Senator GIVENS.—I am dealing now with the sugar industry. But if Senator Walker is so disposed, I shall later on be prepared to deal with the pearl-shelling industry. I have said that it is undoubtedly the intention of the Australian people, as shown by legislation passed by the Australian Parliament, to protect sugar grown by white labour, and I say that that good intention will be defeated unless something is done to take away all protection from sugar grown by coloured labour of any kind. Otherwise, after 1906, sugar grown by white labour will have absolutely no advantage over sugar grown by any sort of coloured labour. There are some 15,000 or 20,000 Chinese in the Northern Territory.

Senator PLAYFORD.—There are not more than 2,000.

Senator GIVENS.—I am pleased to hear it, because the late Premier of Queensland, Mr. Robert Philp, made that statement in Cairns some time ago. He said there were about 20,000 over there, and there was no reason why they should not be brought over to North Queensland to grow cane. There is a very large number of Chinese already in the Commonwealth, a large number already engaged in the sugar industry, and a very large number available at any time to further engage in it. I will ask what part is it of the business or duty of the miners of Western Australia, the miners and agriculturists of Victoria and New South Wales, or even the miners within twenty miles of a sugar plantation, to pay an extra price for sugar, in order that it may be successfully grown by Chinese? I take it that it was never the intention of the white people of the Commonwealth that the generous protection afforded by them should be given to the products of coloured labour of any kind. I hope that honorable member

will take this matter seriously into consideration, and that they will remember that the good intentions of the Commonwealth Parliament are being defeated, inasmuch as protection is afforded to the product of an industry which, in many cases, is carried on almost exclusively by coloured labour. It is unfair to the white population of the Commonwealth that they should be asked to give protection to a product of that sort. On the other hand, a great industry like the sugar industry, which has been built up in many cases under great difficulties and hardships, deserves that something should be done to enable it to be successfully carried on, as I have not the slightest doubt it can be, by people of our own race and colour working under proper conditions. That is being done at the present time in the northern portion of Australia, and I have no doubt it can be done for all time. With all respect to those who have enacted the existing legislation, an amendment is necessary if the evil to which I have referred is to be rectified. I believe that we should take away all protection from sugar grown by coloured labour of any sort, and that we should give all the protection we can afford to sugar produced by white labour only. I believe that if this is done the sugar industry in Northern Queensland and throughout the Commonwealth, where sugar can be grown, will enter upon a new phase of prosperity, which will be of advantage to the whole of the Commonwealth, inasmuch as we shall see the land smiling with waving cane-fields, amongst which will be found the happy homes of settlers engaged in the industry, and rearing children calculated to make this a great nation, and to assist in bringing this Commonwealth to its legitimate destiny. Senator Walker asked me to say why white men are not engaged in the pearl shelling industry. I remind the honorable senator that years before any of the coloured races were engaged in that industry at Thursday Island, white men were successfully engaged in it. That is a fact which I am sure the honorable senator will not deny.

AN HONORABLE SENATOR.—And other people ran them out of it.

Senator GIVENS.—Not exactly. Other people did not run them out of it. It was a very profitable business, indeed, in the early stages, when the white men worked it with their own boats. But when the capitalists came along and saw that it was a good thing, they thought they were entitled

to a share in it, and they bought out the original boat-owners at a good price. These men went away and bought other boats, and then engaged in the industry again. The capitalists, in order to secure a monopoly of the industry, bought them out again. Over and over again white men have since tried to take up the industry, but inasmuch as all licences have been issued to boats employing coloured labour, and the beds have been almost depleted by the work of boats manned by coloured crews, they have found it difficult to do so. Coloured crews and divers have been engaged by the capitalists, not because they are better divers or fishers than are white men, but because their work is cheaper. Cheapness is the god that all these men are prepared to fall down and worship. Cheapness is with them before every other consideration, and I am sorry to learn that the idea of cheapness seems to find so much favour with Senator Walker.

Senator WALKER.—I believe in giving men work for which they are suited.

Senator GIVENS.—White men have done this kind of work.

Senator WALKER.—They cannot get white men for the work.

Senator GIVENS.—They cannot get white men at the wages for which they can get a black-fellow to work. So long as they can get a black man to do the same kind of work at a rate 1 per cent. cheaper than that for which a white man will do it, so long will these people give the preference to the black man. I believe they would give the preference to the coloured man even if he cost more, for the simple reason that they want a man who will be service. They do not want independent men. They find the coloured crews much more servile than are white crews, and they know also that a coloured crew is not so likely to "peach" upon them if they act illegally by taking shell from prohibited beds, or shell that is not of the regulation size, as they have done times without number.

Senator WALKER.—Does the honorable senator object to aborigines doing pearl-shelling work?

Senator GIVENS.—Certainly not. I think that the aborigines of Australia have quite as good a right to work here as anybody else. But I would point out that those people who are always advocating that the aboriginal should be allowed to work invariably advocate that he should be allowed to work at very low wages. There was a great

outcry in Queensland some time ago about aborigines not being permitted to be employed in the mail services of the Commonwealth. I do not know whether there was any official correspondence on the subject, but there was a great outcry in the newspapers. One day I put the proposition to those people who were championing the case of the aboriginal—on the ground, I believe, that the Commonwealth contracts contained a minimum wage clause—"If you employ aborigines, are you willing to pay them the minimum wage when working on the mail changes, or in other ways?" But they would not think of doing that. Their desire was to be able to employ the aboriginal for nothing, and to flog him if he did not do their bidding properly. That is what I have seen done in various parts of Australia. The sole desire of people who express such great anxiety for the welfare of the aboriginal and the kanaka, and their other beloved coloured brothers, seems to me to be that they shall be allowed to employ them as cheaply as they can, to work them as long hours as possible, and under as bad conditions as are permitted, in order that they may be able to increase their own profits, whilst posing as leaders of civilization, and as benevolent philanthropists who are desirous of finding work for the poor black folks.

Debate (on motion by Senator HENDERSON) adjourned.

PAPERS.

Senator PLAYFORD laid upon the table the following papers:—

Regulations under the Immigration Restriction Act.

Papers relating to the promotion of Percy Howe in the Post and Telegraph Department.

Return of persons refused admission to the Commonwealth, persons who passed the prescribed tests, and persons admitted without being asked to pass the education test, during the year 1903.

Senate adjourned at 10.4 p.m.

House of Representatives.

Thursday, 3 March, 1904.

Mr. SPEAKER took the chair at 2.30 p.m., and read prayers.

ADMINISTRATION OF OATH.

Mr. SPEAKER.—I have to report that I have received a commission from His Excellency the Governor-General empowering

me to administer the oath to honorable members who may present themselves to be sworn.

MEMBER SWORN.

Mr. LONSDALE made and subscribed the oath of allegiance as member for the electoral district of New England.

RIGHTS OF TRANSFERRED OFFICERS.

Mr. POYNTON asked the Prime Minister, *upon notice*—

1. Does not section 84 of Chapter IV. of the Commonwealth Constitution, and also section 60 of the Commonwealth Public Service Act, Part 5, of 1902, preserve to transferred officers all accrued and accruing rights under State Acts.

2. By what authority has the Public Service Commissioner withheld payment of annual increments to salaries over £160, due to South Australian transferred Federal officers.

3. Will the Government issue instructions that the increases provided for by the South Australian State Act of 1874, the right to which is preserved by the Commonwealth Constitution and Public Service Acts, and which increases are provided for on the Estimates for 1903-4, and authorized by Parliament, be paid without further delay to officers who have already been greatly inconvenienced by the non-payment.

Mr. DEAKIN.—The answer to the honorable member's questions is as follows:—

This matter is now receiving the attention of the Government, and I hope very shortly to be in a position to make a statement as to the course which will be followed.

REPATRIATION OF POLYNESIANS.

Mr. BAMFORD asked the Prime Minister, *upon notice*—

1. Whether, taking into consideration the fact that recruiting Polynesians for Queensland has ceased, and that consequently no labour vessels are now leaving Queensland for the South Sea Islands, thus creating a difficulty in the return of Islanders whose agreements have expired, the Government has made any arrangements for the return of these men.

2. If not, does the Government intend to adopt any measures insuring the return of South Sea Islanders whose agreements have expired, and who desire to return to their homes.

Mr. DEAKIN.—The answer to the honorable member's questions is as follows:—

The return of the Islanders is provided for by the Queensland Acts, which authorize their introduction. These Acts are administered by the Queensland Government, who control the fund from which the expenses of returning Islanders to their homes are defrayed. The Government has received no information of any difficulties having arisen in regard to providing means of conveyance.

PAPERS.

Mr. SPEAKER laid upon the table the following papers:—

Treasurer's Statement of Receipts and Expenditure, and Auditor-General's Report for 1902-3.

MINISTERS laid upon the table the following papers:—

Public Service Act 1902, papers relating to promotion of P. H. Howe, Postmaster-General's Department.

Immigration Restriction Act, New Regulation.

Return of persons refused admission, admitted on passing the test, and admitted without its application.

DAYS OF MEETING.

Mr. DEAKIN (Ballarat—Minister for External Affairs).—I move—

That, until otherwise ordered, this House shall meet for the despatch of business at half-past two o'clock on each Tuesday, Wednesday, and Thursday afternoon, and at half-past ten o'clock on each Friday morning.

Some question was raised last evening, of which I did not catch the full purport, with regard to the proposal contained in the motion. I shall be glad to hear what any honorable member may have to say with regard to it.

Mr. CONROY (Werriwa).—I objected to the proposal on the ground that it is undesirable that the House should sit on four days in the week. Regarding the question from the Ministerial point of view, it seems to me to be utterly impossible for Ministers to give proper attention to public business whilst Parliament is meeting for four days in the week. Many of the faults in their administration may be to a certain extent attributed to the fact that they have had no time whatever during the greater part of the last two years to attend to that important branch of their duties, and have had to delegate some of their functions to the permanent heads of the departments. Honorable members are interested in reserving to themselves sufficient time to enable them to consider in the fullest detail every measure brought before us. With the House sitting four days a week this is impossible. Every Act passed by us contains serious defects. I need only refer to the Electoral Act, which was so badly drawn, and was so altered during its passage through the House that doubt has arisen whether the High Court can deal with cases of bribery and corruption. We shall do well if we legislate for two days in the week, and reserve the other four days for the careful study of the measures before us. If the House is prepared to remit the duty of making laws to the Parliamentary Drafts-

man I admit that my objection falls to the ground; but I do not think we have yet come to that. We think that the Bills passed in this House should express the considered intention of honorable members, and in the last Parliament we sat so frequently that it was utterly impossible for us to properly consider the measures brought before us. That honorable members were themselves conscious of this is shown by the fact that on many occasions we failed to get a quorum except by the ringing of the bells. I think that upon one occasion I had myself to draw attention to the fact, no less than seventeen times, that there was not a quorum of members in the chamber. This shows that honorable members were not in a fit condition of mind to deal with business. If we are going to do anything more than merely play at legislation we must have time for the consideration of the measures brought before us. Unless we have that time we shall be no more than any outside committee of men to whom a matter is presented for decision after five minutes' consideration. I am sure that three days are often enough for the House to sit during the week; and, allowing one day for rest, that would give us three days in which to look into the measures submitted to us. It may be said that honorable members coming from other States will be very desirous of getting through the legislative work of the session as quickly as possible, but the aim of Parliament should be to legislate not quickly but well. I am certain that honorable members would not have voted as they did vote upon many clauses in Bills submitted to them if they had had time to consider those Bills in the way they should have been considered. The matter is not one which I intend to labour; but I repeat that it is impossible for any House to thoroughly consider the measures brought before it if it is asked to sit more than three days in the week, and it is equally impossible for the administrative work to be properly carried on by the Executive if we are expected to sit more frequently. We admit that a certain amount of time is necessary to enable the Executive to attend to administrative work by the fact that we do not propose to meet in the morning. If we adopt this motion in its entirety we shall enter upon the same bad practice as before, and while we shall be passing a great many laws, they certainly will not be sensible laws. If we do not take the time necessary for the proper consideration of legislative measures we shall have

no right to call ourselves a deliberate assembly.

Mr. WILSON (Corangamite).—I entirely agree with the honorable and learned member who has just resumed his seat with regard to the number of days of sitting. A great many honorable members of this House, and of all Parliaments throughout the British dominions, are fortunately engaged in trade or have private business to attend to, which necessitates their devoting two or three days a week to their private callings. I consider that three days in the week is quite sufficient for honorable members to devote to parliamentary business if they desire to conduct it properly. A certain amount of time must be given by honorable members to their private business, and we do not desire that the Victorian State Parliament, the Federal Parliament, or any other Parliament in the British dominions, should be ruled entirely by professional politicians.

Mr. THOMAS.—The honorable member is speaking for Victoria.

Mr. WILSON.—I am speaking for the whole of the States of Australia. I do not desire that their Parliaments should be conducted entirely by professional politicians. I would say to my professional friends that, while I admit that a few of them may be necessary, we do not desire that all the members of our Parliaments should be professional politicians. We desire that there should be many honorable members who have business outside Parliament, and who are able to bring their business knowledge into parliamentary proceedings. I hope that if the House decides not to sit upon Fridays, the Ministry will not accept the decision as an adverse motion, and send in their resignations, because I should not like to see public business incommoded at this very early stage. I do trust, however, that the House will decide not to sit on Friday.

Mr. McDONALD (Kennedy).—I should not have said anything at all upon this motion had it not been for the last speaker. The honorable member's speech was such a selfish one that it requires some answer. I come from a State to which it is impossible for me to get back at the week-end to attend to my private business. A number of other honorable members are in the same position, but the honorable member seems to think that so long as he can get back to attend to his little business, which happens to be only a mile or two from this place—

Mr. WILSON.—I was considering New South Wales and South Australian members as well.

Mr. McDONALD.—He is quite satisfied to give the best portion of his intellect to his private business, and the weaker portion of it to the business of the Commonwealth. My opinion is, that a man who goes into Parliament and is paid £400 a year—

Mr. CONROY.—Does not get one-quarter enough.

Mr. McDONALD.—I do not say that he is sufficiently paid, but I do say that it is his duty to give his best intellect to the service of the Commonwealth first, and if he is not prepared to do that he has no right to a seat in Parliament. When the honorable member talks of professional politicians, I suppose he refers particularly to the members of the Labour Party.

Mr. WILSON.—Oh, no.

Mr. McDONALD.—I assumed that the honorable member did. I have heard this kind of thing before, and understand that the honorable member is a prominent supporter of the Employers' Federation. If he were ill to-morrow I am sure that he would secure the best professional advice he could get, but he is prepared for a system of quackery so far as politics are concerned. The sooner that the people realize that it is necessary that the men sent to Parliament should not only take a keen interest in politics, but should also make a study of politics, the better it will be for the interests of Australia. I trust we shall not have in Parliament such a lot of political quacks as we have had in the past.

Question resolved in the affirmative.

ORDER OF BUSINESS.

Mr. DEAKIN (Ballarat—Minister for External Affairs).—I move—

That on Tuesday, Wednesday, and Friday, in each week, until otherwise ordered, Government business shall take precedence of all other business, and that on each Thursday, until half-past 6 o'clock until otherwise ordered, general business shall take precedence of Government business.

I had proposed to adopt the practice under which we worked during the last Parliament with varying success, but have always doubted as to whether the time proposed to be allotted to private business was wisely placed at the end of the week. Any interruption of Government business either during the week or at the end of the week is of course undesirable, in the view of those who are charged with its transaction. But it is a perfectly open question as to whether the Friday sitting provides the best means of dealing with

private business. The Cabinet, after consideration, thought that if the practice were left as it was it would be attended with advantages, but I have since had an opportunity of consulting several honorables who sit on this side of the House, who are of opinion that probably the one means of dealing with the question would be as useful as the other. I am, therefore, prepared by way of experiment—as we know the consequences of dealing with private business on Friday—to allot one afternoon each week during the next two or three months in lieu of Friday for the transaction of private business.

Mr. WATSON.—The afternoon, not the evening?

Mr. DEAKIN.—No, only the afternoon till the adjournment for dinner. It seems to me that whilst the period thus allowed for Government business will suffice at the opening of the session, probably towards the end of it we shall have to revert to our former practice. However, I have no objection to taking business in that order for a time. I propose, therefore, that upon Thursday afternoon, from 2.30 to 6.30 p.m., private members' business shall take precedence of all other business. I have consulted those who are in charge of the Government business in the Senate upon this matter, and they assure me that the arrangement proposed has worked satisfactorily there. They do not know that it is better than devoting Friday to private members' business; but they are satisfied that from the Government point of view it is satisfactory.

Mr. CONROY (Werriwa).—I am strongly of the opinion that the motion in its original form should be adhered to. In former sessions Friday was usually set apart for the transaction of private business, and our experience of that practice was that the matters discussed were not sufficiently important to attract a large attendance of honorable members. Consequently I fail to see why we should, in the middle of the week, break in upon the continuity of Bills with which we have been dealing. In legislative measures I claim that it is advisable that as far as possible there should be some continuity of thought. The frequent breaks which occurred in the discussion of important Bills last session were responsible for very much of the trouble which has arisen in regard to the form in which those measures ultimately passed. We never quite understood where we were. Now it is

proposed to make an alteration in the order of business primarily for the purpose of suiting those honorable members who desire to discuss matters which are in reality so unimportant that they are unable to induce the Government to take them up. The three hours weekly which the Ministry propose to devote to the transaction of private members' business is obviously insufficient. On the other hand, the adoption of the Government proposal will obtrude a break in the conduct of public business. By setting apart Friday for the transaction of private business, honorable members who wish to do so will be afforded an opportunity to become thoroughly conversant with the provisions contained in the various measures which are submitted for their consideration. It is proposed that this House shall meet upon four days a week; but if I were to take advantage of the forms of the House and insist upon a quorum being present during the whole of the sittings—

Mr. THOMAS.—But why do that?

Mr. CONROY.—Unless there is a full attendance of honorable members, we shall have legislation enacted in the interest only of a section of the community.

Mr. TUDOR.—The others should be here.

Mr. CONROY.—I do not propose to discuss the question as to who are usually the absentees.

Mr. TUDOR.—The honorable and learned member might just as well do so.

Mr. CONROY.—The honorable member seems to regard attendance in the chamber at half-past 2 o'clock, when the names of honorable members are officially recorded as a proof that those who are then present pay the greatest amount of attention to their legislative work. As a matter of fact it is not so. Some of the most regular attendants at the opening of the sittings of this House are most frequently absentees. We get no contributions to the general debates from them. If we are to have legislation for the whole community, and if honorable members desire to sit continuously, let us have three shifts a day of eight hours each. I unhesitatingly assert that the feeling of the people of the Commonwealth is that we are suffering from too much legislation at the present time. It is high time that we were afforded an opportunity to correct some of the mistakes of the past, and to study in detail all Bills which are submitted for our consideration. The proposal of the Prime Minister will create a blank in the conduct of public business upon Thursday afternoon. If there is

to be any such blank it should occur on Friday. I am so convinced that honorable members cannot efficiently discharge their legislative functions if they are required to travel to and from other States at the beginning and end of each week, that I have made preparations to reside in Melbourne continuously during the sittings of the House. At the same time I cannot take part in enacting legislation upon four days a week and do the reading that is necessary upon the other two, although I have as much physical health and vigour as has any honorable member of this House. Unfortunately, some honorable members fear that if Parliament does not sit continuously the public may think that no useful work is being accomplished. In my judgment the worst kind of work is usually work which is performed when Parliament is in session, because it is so frequently engaged in enacting legislation in the nature of meddlesome interference with private enterprise. Our parliamentary institutions are declining in the estimation of the public. I venture to affirm that not a single measure was passed during the last Parliament which does not urgently require amendment. I must, therefore, protest against the motion which has been submitted. If there is to be any hiatus in the conduct of public business, by all means let it occur upon the last day of each week.

Question put. The House divided.

Ayes	...	...	47
Noes	...	...	14
Majority	...	...	33

AYES.

Batchelor, E. L.	Mauger, S.
Bonython, Sir J. L.	McColl, J. H.
Brown, T.	McDonald, C.
Carpenter, W. H.	McLean, A.
Chapman, A.	McWilliams, W. J.
Cook, J.	O'Malley, K.
Calpin, M.	Page, J.
Deakin, A.	Quick, Sir J.
Edwards, G. B.	Reid, G. H.
Fisher, A.	Ronald, J. B.
Forrest, Sir J.	Salmon, C. C.
Fowler, J. M.	Spence, W. G.
Frazer, C. E.	Storrer, D.
Fuller, G. W.	Thomson, D. A.
Fysh, Sir P. O.	Tudor, F. G.
Groom, L. E.	Turner, Sir G.
Hutchison, J.	Watkins, D.
Johnson W. E.	Watson, J. C.
Kennedy, T.	Webster, W.
Kingston, C. C.	Wilks, W. H.
Lee, H. W.	Willis, H.
Lonsdale, E.	<i>Tellers.</i>
Lyne, Sir W. J.	Cook, J. H.
Mahon, H.	Crouch, R. A.

NOES.

Blackwood, R. O.	Smith, S.
Edwards, R.	Thomas, J.
Gibb, J.	Thomson, D.
Kelly, W. H.	Wilson, J. G.
Knox, W.	
Liddell, F.	<i>Tellers.</i>
Poynton, A.	Conroy, A. H.
Skene, T.	Glynn, P. McM.

Question so resolved in the affirmative.

ORDER OF BUSINESS.

Debate resumed from 2nd March (*vide* page 16), on motion by Mr. DEAKIN—

That on Friday in each week, until otherwise ordered, General business shall be called on in the following order, viz.:—On one Friday—Notices of Motion, Orders of the Day; on the alternate Friday—Orders of the Day, Notices of Motion.

Mr. DEAKIN (Ballarat—Minister for External Affairs).—To meet the views expressed yesterday, I now propose, with concurrence, to amend the motion by substituting the word “Thursday” for “Friday” wherever occurring.

Question amended accordingly, and resolved in the affirmative.

DISTINGUISHED STRANGER.

Motion (by Mr. DEAKIN) agreed to—

That a seat on the floor of the House be accorded to the Hon. Sir Jenkin Coles, Speaker of the South Australian House of Assembly.

GOVERNOR-GENERAL'S SPEECH:

ADDRESS IN REPLY.

Debate resumed from 2nd March (*vide* page 25), on motion by Mr. MAUGER—

That the Address be agreed to by the House.

Mr. REID (East Sydney).—The form in which the Government have framed the Address in Reply has been happily chosen, because it is one to which every member of the House can cordially agree. We are asked to express our loyalty, which we are at all times ready to do, and to thank His Excellency for the speech which he has been “pleased to address to Parliament.” After that speech has been carefully reviewed, it will be found that if any should have any reason to thank His Excellency for it, it is the members of His Majesty's Opposition. In the first place, I wish to express the cordial congratulations of, I am sure, not only the members who sit on this side of the chamber, but of all the members of the House, at the appointment of our present Governor-General. I think our best wish for him is that when he resigns his important trust, he will be able

to leave these shores with the same esteem which his predecessors have enjoyed. It has been the custom to select new members to move and second the adoption of the Address in Reply, but it is only fair to the Government to say that they had a perfectly valid excuse for departing from the practice on the present occasion, inasmuch as the only seat in Australia which they were able to capture was that represented by the honorable member for Bass. It was impossible for the Government to obtain two new members for the task, so they had to fall back upon their and our old friend the honorable member for Melbourne Ports to move the adoption of the Address. If the Government are as pleased with his speech as we on this side are, everyone should be perfectly satisfied. With reference to the honorable member for Bass, I should like to offer to him my congratulations for the manner in which he addressed himself to his task. The expression of his views suggested differences of opinion between us, but the manner in which they were conveyed to the House reflects, particularly for its brevity, high credit upon him as a new member. That he was able to obtain a seat here as the only new member returned to support the Government was owing, not so much to his political views, as to the patriotic services which he undoubtedly rendered as Mayor of Launceston in connexion with the recent outbreak of small-pox in that town. Speaking in all seriousness, I believe that he performed heroic services in that connexion. His occupation in life is one which naturally enabled him to undertake the duty of assisting at the funeral obsequies of the present Administration. My experience of speeches of Governors and Governors-General is that the first thing to be done in connexion with them is to try to discover what matters have been left out of them. No one can complain of the amplitude of the speech now under notice, but it is singular in respect to one or two of its omissions. For instance, the great battle-cry of the Ministry at the recent elections was advocacy of fiscal peace; but we hear nothing about fiscal peace in the speech of the Governor-General. On the contrary, there are proposed a number of measures which dangerously verge upon fiscal warfare. It will be remembered by honorable members that the Opposition played sad havoc with the Tariff submitted by the Government. We were prepared to take the full responsibility for our actions before the electors of Australia. We were prepared

Mr. Reid.

then, as we have always been prepared since, to go before the electors to justify that which we did in mutilating the Tariff, and to declare our desire to make even more radical changes. Our challenge to do so was accepted by our opponents at the time, and it was hoped on all sides, I believe, that the result would be the final settlement of the fiscal question. My own view was one which I thought might well be shared by both sides, that it was as much in the interests of the manufacturers of Australia and of those who wished to engage in industries that would be fostered by the Tariff, as it was to the interests of the taxpayers of the Commonwealth, that the fiscal issue should be finally settled, and the permanent position of all parties made known as soon as possible. That was the state of affairs until the time came for holding the general elections. Then the Government, in the exercise of their undoubted right, suddenly changed their ground. They abandoned the threat that they would ask the electors of Australia to punish us for what we did in mutilating their fiscal offspring, and, instead of coming forward with a courageous policy for its restoration to sound health, they asked the people to allow them to raise the white flag over its remains. The electors, and especially those who took moderate views, were much impressed with the transition from the ardent fighting attitude of our protectionist friends as a great Australian political force, to the advocacy of a policy of neutrality. I quite admit the wisdom from a strategical point of view of the course taken by the Government. The more weakness one has the more wisdom he needs. The Government felt that they were not quite strong enough to fight us, and therefore they adopted the Boer policy of hoisting the white flag. We, however, were not prepared to accept their view, and agree to the suspension of this vital issue. The Government, by the course they took, obtained the advantage of dividing our forces, because a large number of electors who believed in our fiscal views were anxious that the Tariff question should be allowed to remain in abeyance for a time. Their evolution also gave them a further advantage, in that it enabled them to swing into line with our friends of the Labour Party. The fiscal issue is perhaps the only one which strains the solidarity of that party, and the policy of its members has naturally been to sink the issue as much as possible. Consequently the Government, by their

diplomatic move, obtained an alliance for the time being with the Labour Party, and put the Opposition in the place of having to fight two great political parties on the fiscal issue. There was a further, and perhaps an even stronger, reason for this change of attitude. How could the Government go before the electors of Australia and advocate both the Australian policy of protection and the Imperial policy of preferential trade? It would have placed the Government in a position which would have strained the intelligence of the duller voter in Australia. How could any Government, true to its protectionist traditions, which had always been in the direction of shutting out the manufactures of the mother country, come forward with that old traditional policy of building up a tariff wall against the mother country, and at the same time assure the people that the only distressed persons in the world for whom they had an affectionate interest and anxiety were the British manufacturers? It is quite novel that the appeal of the British manufacturers for consideration, for the relaxation of this policy of protection, should have received so much, I will not say practical, but rhetorical sympathy from the Prime Minister, and the position would have been indescribably absurd if the protectionist flag of isolation and war against the mother country had been displayed side by side with a new loyal emblem of Imperial devotion. The situation would have been ludicrous, and the result was that protection was abandoned, and the policy of the Government resolved itself into this—"Keep what is left of our fiscal bantling in the miserable existence to which it has been condemned by our wicked enemies the Opposition, and cover its remains with a white flag. In the meantime let us win the sympathies of the great mass of Australian people, who always readily respond to the call of loyalty and affection to the mother country." Besides, there would have been a restriction put upon my learned and distinguished friend the Prime Minister, even in his rhetorical flights, which would have been decidedly embarrassing. Under the flag of preferential trade the Prime Minister could say with impunity, "Mr. Deakin and loyalty to the mother country; Mr. Reid the friend of the foreigner!" But under the flag of protection Mr. Deakin as the friend of the mother country, and Mr. Reid as the enemy of the mother country, would have been

too ridiculous; because Mr. Reid's whole political existence has been devoted to removing tariff barriers from the path of the mother country, and Mr. Reid happened to be the only man in the British Empire who, with the aid of his loyal friends, was able to pass a tariff policy which outrivalled in breadth and liberality even the British Tariff itself. It did seem strange to me that my honorable friend, whose general fairness and courtesy I have always been the first to acknowledge, should have found it possible, even in his inspired flights, where even recollection finds no place, to picture me as a friend of France and Germany, and himself as a friend of the manufacturers of the midland districts of England! I have never used harsh language with reference to my honorable friend, because I know what may happen to a man who has intervals of inspiration. His whole political career has reminded me of another genius in another country, who used to compose the most heavenly music, but who could never find a band, even when he conducted the orchestra himself, that could play it! When we look upon my distinguished friend as an orator we find him standing alone upon a pedestal; but when we bring the orator down from the pedestal on to the floor of ordinary practical legislation, his proportions are miraculously diminished. But his intentions are always good. We all have an admiration for him, because we all know that, whether upon a pedestal, or in any other position, he is, and has always been, a fair and honorable antagonist. One of the keenest pleasures of my antagonism, which will not be stinted, is that I have always been able to conduct my political differences with the Prime Minister without even the slightest break in the most cordial private intimacy, and I hope that will always be the case. Now, I regret to say that there were other issues at the last election which I deem it my duty as a public man to notice. In the field of industrial enterprise, and amongst all those questions which affect the two great classes into which this community is industrially divided, those of the employers and the employed, there has been an evolution which, I believe, is on the whole probably for the benefit of society. Especially of late years, and more particularly under the new arbitration law in some of the States, these two great forces which used to be scattered have been brought together. They have assumed the appearance and cohesion of military forces.

So long as this evolution is confined to the fields of industry, to the fields of conciliation, and of compulsory and peaceable arbitration it is, as I have said, an evolution which may work for the good of society. But I do most deeply deplore a thing which causes me to look upon the immediate political future of Australia with the most anxious regard. I refer to the fact that we have seen, during the last elections, traces of an invasion of these industrial armies into the field of national politics. The sharper the line between, I will not say the selfish, but the legitimate interests, of a man in his own private business and calling, and the duty he owes to his country and himself in the sphere of politics—the more sharply intelligence and conscience are kept free from self-interest and class feeling—the better for the public life of any country. I do not blame one side in this matter. The state of things I have mentioned is perfectly legitimate and probably beneficial in the industrial sphere, but especially in Queensland, we saw the great questions, whatever they may be, of national politics in this Commonwealth, all swept into the background, whilst one issue, and that alone was fought, the issue between the classes and the masses.

Mr. WATSON.—That was a cleaner issue than the one raised in New South Wales.

Mr. SYDNEY SMITH.—The issue raised in New South Wales was a straightforward one.

Mr. WATSON.—Was it? It was a dirty issue.

Mr. SYDNEY SMITH.—Because it did not suit the honorable member. He has no right to say such a thing. It is very cowardly to say so.

Mr. SPEAKER.—I must ask the honorable member for Macquarie to withdraw that remark.

Mr. SYDNEY SMITH.—I withdraw the remark and apologize, but I think the honorable member for Bland ought also to apologize for having insulted the electors of New South Wales.

Mr. SPEAKER.—I did not catch the remark made by the honorable member for Bland, but if the honorable member for Macquarie regards it as offensive, I have no doubt the honorable member for Bland will withdraw it.

Mr. WATSON.—I at once admit that what I said was that in New South Wales there was a dirtier issue than that raised in Queensland. I say so now, and I do not withdraw it.

Mr. REID.—What was the issue? Name it.

Mr. WATSON.—The sectarian issue, and the right honorable and learned gentleman helped to raise it.

Mr. SPEAKER.—The remark made by the honorable member for Bland involves no reflection upon the House or upon any member of it, and I cannot, therefore rule it out of order.

Mr. McDONALD.—If the right honorable and learned member for East Sydney would keep his politics as clean as they are in Queensland, he would do very well.

Mr. SPEAKER.—I must ask the honorable member for Kennedy to allow the right honorable and learned member for East Sydney to proceed.

Mr. REID.—I do not know that these remarks fall at all within the line of the particular observations I was making. I do not think they do; but since the honorable member for Bland has chosen to make the observation which he did, and to use the language he did use, and since he has explained the charge that he makes, may I suggest to him that it does not lie in the mouth of a man who has been in the public life of New South Wales for ten years to wait until the present time to talk of the influence of sectarianism in politics?

Mr. WATSON.—I did not wait; I spoke of it at the elections.

Mr. REID.—For twenty years and more, the party which I have had the honour to lead has been hounded down by sectarianism.

Mr. WILKS.—By the party who backed up the Labour Party.

Mr. WATSON.—That is not true.

Mr. REID.—In the great party which I have led, the snaky track of sectarianism has been known to every man like the honorable member for the last twenty years.

Mr. WATSON.—The Labour Party had it nearly killed.

Mr. REID.—But there are two ways of being sectarian, a secret way and an open way.

Mr. WILKS.—One with a green colour, and another with a yellow; you will have it straight enough now.

Mr. REID.—I have stood in my political fights for years as the leader of a party, a political handicap of 20 per cent., before a single vote was polled for me in New South Wales, and I have never complained of it. I have never introduced the subject.

Mr. SYDNEY SMITH.—More shame to the honorable member for Bland to do so.

Mr. WATSON.—Did not the right honorable and learned gentleman write to Dill Mackay at the Town Hall?

Mr. REID.—Oh, this is something new !

Mr. O'MALLEY.—Who is Dill Mackay?

Mr. WILKS.—This is better than the 12th July.

Mr. SPEAKER.—I must ask honorable members to refrain from these constant interjections. In order that they may be as few as possible, I ask the right honorable and learned member for East Sydney to confine his remarks to the question immediately before the House, and to, as far as possible, avoid making reference to irrelevant matters.

Mr. REID.—May I remind you, sir, that I did not make the slightest reference to this particular question until a charge was made. When charges are made it is my bounden duty to myself and to my State to reply to them. I assert my right to reply to the interjection made by the honorable member for Bland.

Mr. SPEAKER.—I must call the right honorable member's attention to the fact that I have allowed him sufficient latitude to make a reply, but that the Standing Orders absolutely preclude the discussion of any matter other than that which is immediately before the House. Therefore, while the interjection may have led to a side debate, it having been called attention to, and disposed of, I cannot allow the right honorable member to follow an interjection, or a casual remark, by a lengthened speech.

Mr. REID.—May I remind you, Mr. Speaker, that I have so far had no opportunity of replying to the interjection to which I now refer. The honorable member for Bland has said that I wrote a letter to Mr. Dill Mackay.

Mr. SPEAKER.—I shall not enter into a debate with the right honorable member for East Sydney, or with any other honorable member, but it must appear to the House that while interjections cannot always be checked, if I am to rule that any honorable member may proceed to deal at length with any interjection made, whether relevant or irrelevant to the question under discussion, the debate may be permitted to wander wherever an honorable member interjecting may please to lead it. I cannot rule that an irrelevant interjection can be held to justify an irrelevant speech thereupon.

Mr. JOSEPH COOK.—I desire to take your ruling, sir, as to whether at this stage any matter arising out of the elections is not a fair subject for debate. As I understand

it, a reference to this particular matter is more germane to a discussion of this kind than to any other. Any motive or influence which entered largely into the composition of the present Parliament may, I think, be discussed at this stage.

Mr. REID.—Before you give any ruling, sir, I should like, not on my own account, because that is not a matter of consequence, but on account of the undoubted rights and privileges of the members of this House, to point out to you that this is a new Parliament following a general election. We are discussing the Address in Reply to the Governor-General's opening speech, and it appears to me that any matters discussed during the election, and certainly any matters which influenced votes at the election, are all legitimate subjects for discussion in this House, whether raised by interjection or not.

Mr. SPEAKER.—I point out to the honorable members for Parramatta and East Sydney that I have given no ruling contrary to the suggestion they have made. The whole question of the conduct of the election and of matters which may have influenced public opinion thereat is open to debate. The right honorable member for East Sydney admitted just now that the question he was discussing when I asked him to refrain was whether or not he wrote a certain letter at a certain time. I imagined that that particular question did not enter in any way into the conduct of the election.

Mr. JOSEPH COOK.—That is the allegation made.

Mr. REID.—I can assure you, sir, as a member for the State, that it did.

Mr. SPEAKER.—Then the right honorable and learned member may refer to it.

Mr. REID.—I wish to refer to it, only in order to say a word or two, because I very much regret the digression. I have been twenty years in the public life of Australia, and I have never at a public meeting or in any Parliament referred to the sectarian issue, except to denounce a statesman in New South Wales when he endeavoured to raise it. In spite, as I say, of great provocation and continued opposition on the part of a large mass of electors of a particular faith, during the whole course of my Ministerial career, I have never yet opened my mouth on a public platform to raise that issue, and I hope I never will. But when such language is used in connexion with men who did me the honour to vote for me and my followers, I should like the leader of

the Labour Party to remember that if any such imputation were laid upon the workers of Australia who supported him, as that they imported a dirty issue into any election, he, as an honorable man—and we all know him to be one—could have none other than feelings of the strongest indignation. I regret the interruption, because it has led me in all candour to make the remarks which I have. But I now wish to dispose of the other offence against the Constitution to which the honorable member has referred—that of writing to Mr. Dill Mackay. I wish to dispose of that incident, since the honorable member has opened it. The matter had altogether disappeared from my mind, but when subjects of that character are mentioned in Parliament it is our duty to clear them up. I would point out that this is the letter which I wrote to Mr. Dill Mackay—speaking from memory. There was a meeting called in Sydney to form, I think, a Protestants' Defence Association, and as a public man I was invited to attend it. I was in Melbourne at the time, and therefore could not attend if I wished, but I wrote a letter to Mr. Dill Mackay, as the convenor of the meeting, so far as I can recollect, in these terms:—That during the whole course of my public career I had avoided the introduction into public life of sectarianism in any shape or form. But I said more—and in all candour I felt it right to say more. I added that I was not ignorant of the fact that although I had kept sectarianism out of the exercise of my powers in public life absolutely, I had not been able to escape the influence of sectarianism all through my public career as a Minister of the Crown. That was the statement which I made, and whilst one wishes to avoid these subjects—as one would avoid a fire or a pestilence in the community—when a fair question is put to a public man he is bound to answer it as a man.

Mr. CROUCH.—The right honorable and learned member went much further than that. He said that the Roman Catholics always opposed him.

Mr. REID.—I never used the expression "Roman Catholics." My honorable and learned friend, perhaps, carries my correspondence in his pocket—I do not.

Mr. CROUCH.—I carry the right honorable member's words in my memory.

Mr. REID.—I am giving the House the benefit of my recollection, which tallies exactly with that of my honorable and learned

friend except in the designation of the particular source, which, however, is sufficiently notorious. I again wish to express to the House and to the people of all Australia my profound regret that the interruption of the honorable member and the language which he used compelled me as a man to reply to him, because I have unbrokenly held that no one should intrude religious differences into the field of national politics.

Mr. WATSON.—It is a pity that the right honorable member did not announce that fact a little while ago.

Mr. REID.—I have always entertained that view. May I further suggest, and then I shall have done with the subject, that perhaps an exhibition of the might which people possess against insidious tactics in Australian public life may prove the only method of removing sectarianism from politics, because when one side finds that it is a loss to use those means, its infallible sagacity will suggest the discontinuance of them. I now leave the question, and I quite understand that the honorable member's indignation against Protestants is really his mortification against Mr. Longmuir. Something must be made to explain the remarkable circumstance that my friend, whom we all admit to be an eminently good member of Parliament and a worthy leader of a great party, was run so closely by a gentleman who has yet to win his political spurs. Naturally there is a feeling of irritation upon his part. Passing away from this regrettable topic, to matters which may help to restore better feelings, I wish to express my regret that the Ministry should have had such anxious moments regarding my possible extinction from public life. The Minister for Defence, who is an authority upon matters behind the veil, solemnly announced to the people of Victoria that I was in the most precarious position, and that I might possibly sneak in between my two opponents. Well, my honorable friend knows what the result was, and I am sure that personally he feels much relieved. I wish to come back to that very serious question to which I was addressing myself. It is no answer to a man who deprecates one evil in public life to point to another. That is not a sensible answer in the halls of legislation. It is better to confine interjections to the subject with which one is dealing. I am perfectly willing to deal with any interruption. I am only too able to do so. But I wish again to refer to the matter upon which I was

speaking. I say it will be a calamity in the public life of Australia when high questions of national politics are voted upon by armies on one side or the other, and when those armies not even carry a political those armies do not even carry a political their own class interests and class feelings. Those feelings, I say, are perfectly legitimate in their proper sphere—in the sphere of industry and of employment—and may not there be a subject of censure, but they are to be deprecated in public life. I am not going to enter into a criticism as to which man or which party is to blame for this, but I will say that when the free-traders of Queensland never could find room for the fiscal issue, when men like Mr. Philp, the Premier of that State, a known free-trader, and other free-traders, would not organize upon broad national lines of principle, but called meetings for the purpose of securing £10,000 to fight an election for a class—such men, although they may pose as men of intelligence, as men of light and leading, expose themselves to criticism. And they have obtained their deserts. Whenever a class issue is raised between the classes and the masses we need not inquire into the rights of it, because we all know what will be the result. No one sympathizes with men of the classes who raise their own selfish interests in the politics of this country. One of my strongest feelings of contempt is for those people who band themselves together as certain individuals did in the Sydney Exchange the other day. There, a large number of merchants met together—men to whom politics all at once had assumed a burning complexion. I have the most whole-souled contempt for men who made their wealth in the country, who have attained to positions in which they can use influence over their fellow men, and who yet confine the share they take in politics to a series of slanders upon others who do devote their time to the public life of Australia. These men never show a glimpse of public spirit until their pockets are touched. These are the individuals who make their class discredited throughout Australia. I wish to say that if there is ever to be a legitimate influence exercised by men of wealth and intelligence, they must not expect people to believe them to be patriotic when they never take any share in the urgent affairs of the public until their own interests are affected. Men who remain in their counting houses all their lives, and who can find no time to perform their duties to the public, must not

expect to be welcomed with enthusiasm when they rush from their desks in order to save some of their money from the consequences of legislation. I address myself, therefore, to this subject in a spirit of absolute impartiality. I now wish to leave that question and to take up another point, which I think is one upon which we shall all agree. I believe we shall all agree that it is a positive calamity that, with a liberal electoral law, which the Prime Minister has described as the most liberal ever seen—and probably it is if it could only be properly administered—with the fullest freedom, and every facility for the registration of votes, the great masses of the men and women of Australia should show so slight a sense of the privilege, its value, and their duty to the country. It is, indeed, a great pity and another source of genuine reasonable alarm that this should be so. Of course, large allowances have to be made. At the time of the general elections harvest operations were in full progress. That would account for the absence of thousands of men and women from the polling booths of Australia, and I hope that this or some other Government when making the arrangements which are intended to bring every man and woman to the ballot-box of Australia, will show some little knowledge of the times at which it is most convenient for elections to take place. It is only in high official circles that it is unknown that the harvest of Australia is usually gathered at a certain time.

Mr. FISHER.—But the Senate fixed the date of the last elections. We had to consider the Senate elections.

Mr. REID.—Another place did not fix the date. It was determined that the elections should be held before, not on, the 31st December last.

Sir WILLIAM LYNE.—The elections could not be held before.

Mr. REID.—There were many reasons for that. The whole arrangement from first to last was a bungle. I feel sure, however, that this or any other Ministry with the slightest sense of its duty will see—now that the life of the Parliament dates from December—that the dates for the holding of the general elections are not so fixed as to prevent many farmers and their wives from attending at the poll. I come to another matter—the state of the parties in the House. The Government made their appeal to the people of Australia for renewed confidence and support, and the people of Australia in returning members to this

House gave them one new supporter, but took away eight or nine of their old followers. Without troubling honorable members with details, I should like to give the figures relating to both Houses as they stand at the present time. The net results of the elections are that the Government have lost ten seats in the two Houses, whilst the Opposition have lost two. The whole of those seats have been secured by representatives of the Labour Party, and may I say, as I have always said, that the Labour Party have this merit: that they put their principles and their platform in plain black and white, and that when they are returned they are loyal to those principles.

Mr. CONROY.—Were the labour candidates free-traders or protectionists?

Mr. REID.—The fiscal issue is one of the principles which is not provided for in the platform of the Labour Party, and there is an obvious and not a dishonorable reason for that. The truth is that we do not want any more of machine politics than we can help. But the net result of the general elections, so far as this House is concerned, is that the Government who had forty-four supporters in the late Parliament, have now thirty-four, so that whatever the result of the election is—

Mr. KINGSTON.—Is the right honorable member referring to both Houses of Parliament.

Mr. REID.—I am taking both Houses, because in each case the vote at the general elections was a popular one. The result of the last appeal to the people—the only clear result—is that, whilst the Labour Party have not lost the confidence of the people, and the Opposition have lost only two seats, the Government even under the white flag have been heavy losers. The practical result is that we now have three parties.

Mr. DEAKIN.—I cannot make the right honorable member's figures agree.

Mr. REID.—I do not say that they are exactly correct, but they are substantially accurate. I may mention one case in regard to which there may be some confusion in the mind of the Prime Minister. For instance, the honorable member for Oxley, Mr. R. Edwards, was returned at the first elections as a supporter of the Ministry, and for a time sat on the Ministerial side of the House; but at the last elections he was returned as a member of the Opposition.

Mr. GROOM.—No.

Mr. REID.—I may be wrong, but the honorable member has taken his seat on the Opposition side of the House.

Mr. R. EDWARDS.—The right honorable member is correct.

Mr. REID.—The honorable member for Oxley is the best authority on the subject, and he tells me that I am correct. His seat is one of those to which I was referring. If there is any doubt about the numbers I have only to point out that here we see the assembled representatives of the people in this new Australian Parliament, and I would ask whether the Government will point to a second new supporter in addition to the honorable member for Bass, whom they have secured so far as this House is concerned. Will not they drop a tear for the many able men they have lost?

Mr. DEAKIN.—Hear, hear.

Mr. REID.—My honorable and learned friend is equal even to the tear. I wish now to express my entire agreement with a remark made by the Prime Minister in a remarkable announcement which he made on the occasion of a great gathering in this city at the beginning of last month. I heartily agree with the Prime Minister that the only possible basis upon which a system of a responsible executive acting in a Parliament of this type can be secured—the only possible condition under which that principle can be honorably and usefully worked—is when the Ministry in office commands the confidence of the full majority of the people's representatives. If the Ministry do not command that confidence they should make an alliance—provided that alliance can honorably be made. I will at once admit that, provided an alliance can be honorably made between two parties in the House, it is the only way in which to adjust the balance. But as long as three independent parties live in the same House—the parties being more or less equally balanced—the basis of an honorable Government is—I will not say lost, but is endangered. One of the evils of a weak position is the manifold temptations to make that position strong by secret arrangements. There was no sentence in the admirable speech made by the Prime Minister on the occasion in question which I more admired than the manly straightforward declaration, that if any alliance be made it should be made publicly, and that the basis of it should be published. It must not be that sort of alliance that happened before a certain ballot in another branch of this Parliament. It must not be a bargaining that, under the secrecy of the ballot, votes will be given to one man if other votes are given to another.

Mr. SPEAKER.—The right honorable member must not refer to anything that has taken place or is pending in another Chamber.

Mr. REID.—Still, I am very glad that I have been able to say what I have. There must be none of these underhand intrigues. I hope that the party to which I belong, and that the Labour Party, too, whatever they may do in the public life of this country, will act up to the principle which the Prime Minister has announced.

Mr. PAGE.—We have always done so.

Mr. REID.—The members of the Labour Party always say so. However, I do not deny it. The noble attitude assumed by the Prime Minister upon this occasion was unfortunately spoiled by the latitudinarian view which he held as to which of the two young ladies he should marry. The honorable and learned gentleman, whilst very explicit as to the necessity for an alliance, did not appeal to the Opposition to save him from the Labour Party, as in accordance with his principles he should have done, nor to the Labour Party to save him from the Opposition, as was necessary to make the situation clear. As every head of a Ministry does, when those who do not believe in them are honestly divided, he told the people—"We are going straight on." I should suppose they were. I never knew a Ministry which was not going straight on when there was no immediate prospect of their being kicked out. The speech of the Governor-General shows, not only that the Government are going straight on, but, addressed to a man of my advanced years, that they intend to go on for all eternity. The language used by the Prime Minister at this function, which, I believe, was held in the middle of the day, was this: After saying that the Government would go straight on, he continued—

The problem facing them now was how to conduct a Parliament which, instead of having a majority and a minority, had three practically equal parties taking part in the proceedings. It was a problem which had not yet been solved in any part of the world. . . Administration and legislation had always been conducted on the principle of a majority and a minority. Now, however, they had practically three equal parties, and the position was unstable.

Then comes the rhetoric—

It was absolutely impossible. It could not continue, and it ought not to continue.

So, although the Prime Minister told the people of Australia that the position is impossible, cannot continue, and ought not to continue, we have set before us this programme for all eternity. The Prime

Minister then, by way of analogy, referred to the game of cricket. He asked what would become of the game of cricket if there were three elevens instead of two—one playing sometimes with one side, sometimes with the other, and sometimes for itself? The side which always plays for itself is the side which is in office. One never finds that side playing for any one else. One of the comfortable advantages of the occupancy of the Ministerial benches is, that in these games Ministers have but one simple duty, and that is to play for their own side all the time, making use of the other two sides as often as they can. I agree with the Prime Minister that there is no objection to an alliance between the Labour Party and the Ministry, and that was my position in New South Wales. There was no secret arrangement between that party and my own. We stood out as independent parties which went to the country upon the same policy. When the Upper House rejected my Land and Income Tax Assessment Bill, I laid before the people and the Parliament the whole of my fiscal policy in regard to the Tariff and direct taxation. My proposals were blocked by the Upper House, and I then took a very eccentric course. Although the Assembly had been elected only a year previously, I exposed my friends to the chances of another election, and the members of the Labour Party and the supporters of the Ministry went to the people practically in alliance. The Ministerial party supported no candidate against a labour candidate, and the members of the Labour Party supported no candidate against a Ministerial one. That was an honorable and open alliance for the carrying out of a great national principle. I felt proud of it, and have always acknowledged the benefit which it conferred upon me. It was an alliance within the meaning of the words of the Prime Minister, an open alliance before the country upon a definite policy which had been submitted to Parliament. It is a pity that the Government should be in their present position. The Prime Minister has exposed me to a good deal of undeserved criticism. When he made the speech which I have quoted, a number of persons, both in New South Wales and in the other States, said—"What a fool that Reid is. Here is the Prime Minister offering his hand to him, and endeavouring to obtain a coalition which will set Australian politics upon a sound and stable footing, and he, perverse man, will not hear of it." I am like a young lady.

I never feel inclined to give a definite answer to an interesting proposal until it has been definitely made.

Mr. DEAKIN.—Not in leap year?

Mr. REID.—I suggest to the Prime Minister that he is very much in the position of a batchelor who happens to be living in the same house as two unmarried ladies. His friends say to him—"It is really very improper that you, a single man, should be living with two single ladies." My honorable and learned friend, acting upon the lines of his speech, would say under such circumstances. "It is true that the situation is a wrong one, and cannot last, but I do not know which of them I shall take. It is a question of terms." What high-minded young lady would accept, if she ever received, an offer of that kind? My honorable and learned friend is careful to explain that he did not allude to any particular alliance with either of these young ladies. He said—

He had not the slightest idea as yet which two parties were going to endeavour to unite, but unite they must.

May I suggest to him that, when there is talk of union, the offer of union does not generally come from the gentle maiden, but from the gentleman who desires her.

Mr. WEBSTER.—This is leap year.

Mr. REID.—I do not know what interest that fact can have for my honorable friend at his time of life. I was not referring to any of these difficulties as existing in his case. The Prime Minister said that there were only two questions to be asked. The first was—"What terms?" "What terms?" I admit that my honorable friend would not refer to personal considerations. I quite understand that he meant matters of policy. "What terms?" It is rather convenient for a person to make an offer to one of two other persons without making any offer to either of them. That is a very convenient sort of arrangement. Since the Prime Minister says there must be an alliance, that the very basis of responsible government demands that the present state of affairs shall not last, I beg to remind my honorable friend that the onus of the situation lies upon him. He can either give his position up or try to form an alliance which will make this a stable Parliament; and whatever he does—as he says—must be above board. I wish, as briefly as I possibly can, to refer to some of the items in the Governor-General's speech. I hope that honorable members will not think that I am unduly trespassing upon their

time, because, in the very nature of the case, there are a large number of questions to which I must make some reference. I have grouped the paragraphs of the speech somewhat differently from the Prime Minister. I shall in the first place deal with paragraph 25, which reads as follows:—

It is intended to examine the experience gained in the recent elections, with a view to an amendment of the Electoral Act.

Now, without reviving the painful controversy which occurred in the late Parliament, as I do not wish to take up the time in that way, I desire to point out now that we have the completed rolls for the electorates of Australia, that every word I said as to the discrepancy between the numbers of electors in the different parts of Australia, dealing particularly with my own State, has been more than justified. During the recess the Prime Minister stated that thousands of electors were objected to in Sydney, and that thousands had applied to be enrolled in the country, and that the course taken by the Government would be justified. May I tell honorable members that, according to the completed rolls of Australia, a worse state of affairs existed than I mentioned. I told the House that, according to the Commissioner's figures, three country constituencies would contain 42,000 electors, whilst three city constituencies would contain 92,000 electors. The fact is, according to the completed returns, that three constituencies in the country embraced 52,000 electors, whilst three city electorates had 114,000 electors. The basis of the Act was electoral equality. That was the principle that the Parliament, as a body of honorable men, embodied in the law of Australia—electoral equality in principle, subject to certain local considerations within a given margin. May I point out that in the case of three electorates in the country, as compared with three electorates in the coastal districts, there was a difference of no less than 62,000 electors—a larger number than the whole of the men and women in the drought-stricken half of New South Wales. Between the two groups of three electorates there was a difference of 10,000 more than the whole of the men and women in one half of New South Wales. In grouping seven city electorates and seven country electorates, I pointed out that there was a difference of 100,000 whilst the completed rolls show that there was an actual difference of 114,000. Comparing four country electorates with four other country electorates, I showed a difference

of 36,000 electors, whereas the actual difference was 35,000. So that the rolls confirm the statements I made, and in the face of this wholesale robbery of the people, we are told, in the 25th paragraph of the address, that there must be an inquiry, with a view to the amendment of the Act. No official report has been placed before us to prove the drought theory. Nothing has been submitted to support the plea that was made for robbing the people of their votes by the hundred thousand. But now we are told that there must be an amendment of the Act. We had an amendment of the Act, and that did all the mischief. It was the amendment of the Act that robbed the people, and now that the robbery has been accomplished we are invited to be good enough to further amend the Act, I hope more upon the lines of political honesty. The present state of affairs cannot be allowed to continue. May I say that this robbery of the public rights, bad as it was, was intensified by the most disgraceful maladministration. I can only speak for my own State. I do not profess to go beyond that, but I think my honorable friends, no matter what party they belong to, in the pursuance of their public duty will agree with me that if the electoral arrangements are again conducted in the same way as on the last occasion the scandal must re-act upon Parliament itself. I have been accused of entertaining personal feeling against the Chief Electoral Officer of the Commonwealth. My answer to that is that during the whole course of my public life I have never had much to do with attacking public officers. The attack I make upon the Chief Electoral Officer of the Commonwealth is not of a personal character, because my statements are based upon historical records. The officer was pensioned off from the Lands Department of New South Wales as a person better out of the public service seventeen years ago.

Sir WILLIAM LYNE.—That is untrue.

Mr. REID.—I have all the facts.

Mr. SPEAKER.—I must ask the Minister for Trade and Customs to withdraw that statement.

Sir WILLIAM LYNE.—If I am required to withdraw the statement, I shall do so; but I desire to point out that I have previously refuted the statement now made by the right honorable gentleman, and that he is now simply challenging the remarks I then made.

Mr. SPEAKER.—I must ask the Minister to clearly withdraw his remark.

Sir WILLIAM LYNE.—I think I did clearly withdraw it. I said that if I were required to withdraw it, I would do so. Surely that is sufficient. I withdraw the remark.

Mr. SPEAKER.—As the honorable member has now withdrawn the remark I regard the matter as disposed of.

Mr. REID.—I am not referring to this matter in any spirit of contradiction. I took the trouble to make further inquiry, and although I could not secure all the papers—I could not blame the Government for that—I had other means of getting at the facts. In 1887 there was a re-organization of the Lands Department of New South Wales, in which Mr. Lewis was a draughtsman, and he was removed from the service and a pension of £100 was settled upon him. After he had been removed from the Department and put on a pension, temporary employment was found for him, which in the course of years enabled him to occupy by appointment the position of Chief Electoral Officer of New South Wales. In 1896—seven or eight years ago—the Public Service Board, not a partisan Ministry—investigated the condition of the Electoral Department, and thought it better in the public interest that Mr. Lewis should be pensioned and removed from the Department, and that his subordinate should be put in his place. He was not removed on the ground of age.

Sir JOHN FORREST.—Retrenchment was then going on.

Sir WILLIAM LYNE.—It was done at the instance of the right honorable gentleman.

Mr. REID.—It was done at the instance of the Public Service Board. I want to adhere to the facts. The Public Service Board of New South Wales thought it better to pay Mr. Lewis £300 per annum of the public money to enable him to walk the streets and do nothing than to keep him in the Public Service. No other man was brought into the service to take his place, but his subordinate was appointed to the position, and he is still there. After Mr. Lewis' removal, the staff in the New South Wales Electoral Office was reduced by the Public Service Board from 47 to 13, 14, or 15. Yet Mr. Lewis, who was upon the pension list of New South Wales, and who was not efficient enough to manage the electoral affairs of one State, was intrusted with the important duty of organizing the first election of the Commonwealth. I make no sort of personal attack upon Mr. Lewis; I am arraying against him absolutely historical facts, to which I was no sort of party.

Sir JOHN FORREST.—And all this fuss is being caused over £250 a year?

Mr. REID.—I warned the late Prime Minister about Mr. Lewis, and I told him that if there was a bungle or mismanagement the responsibility would rest upon the Ministry and not upon Mr. Lewis. I shall not take up the time of the House with the details showing what a monstrous bungle there was during the recent elections, because it is notorious. I now ask the Government—I do not wish to give this matter any party aspect—to appoint some authority to investigate the conduct of the Electoral Department during the last elections.

Mr. WATSON.—Hear, hear; some authority outside the officials.

Mr. REID.—Yes. If we are wrong in making these charges of incompetence the officer ought to be vindicated, and if we are right the matter ought to be remedied. No attack on me across this table will meet the situation. That will not dispose of the present abominable state of things throughout Australia. It may suit a complaisant majority but it will not satisfy me.

Mr. KINGSTON.—What does the right honorable gentleman charge against the Chief Electoral Officer?

Mr. REID.—Nothing in particular. I charge him with absolute incompetency, that is all—incompetency so great that a publicly constituted Commission removed him from a similar position in New South Wales.

Sir JOHN FORREST.—The right honorable gentleman cannot prove that.

Mr. REID.—I cannot prove anything to this Government. I ask, will the Government appoint a Commission to investigate the matter? I ask that the curtain of the Electoral Office may be lifted.

Sir WILLIAM LYNE.—The honorable and learned member is making a most vicious personal attack.

Mr. REID.—I am a very vicious man, and the Minister is a pure-minded apostle; but he seems, nevertheless, to pick up all the derelicts of the Commonwealth. There was another objection I mentioned. Mr. Lewis became an active political partisan. He opposed the free-trade party at the next election after his retirement.

Sir JOHN FORREST.—Why should he not?

Mr. REID.—I do not object to that. He had a perfect right to do it.

Sir WILLIAM LYNE.—The right honorable and learned gentleman is making a most vicious attack upon him.

Mr. REID.—There is nothing vicious in stating that a man opposed another in an election. The sitting member for the Cook Division of the City of Sydney, Mr. S. T. Whiddon, was opposed by Mr. Lewis as a supporter of the Lyne party in 1898. I need not say that he was defeated. In the same year, Mr. Barton, afterwards the Prime Minister of Australia, contested the Macleay electorate, and Mr. Lewis went all over the district canvassing for the future Prime Minister, and the honorable member for Macquarie, who was a candidate, so far incurred Mr. Lewis' displeasure that he was very nearly exposed to physical violence.

Sir JOHN FORREST.—What has that to do with it?

Mr. REID.—My right honorable friend, with his western ideas, asks, "What has that to do with it?" I will tell him. A man who has been associated with partisan politics in Australia is not a desirable person to become the Chief Electoral Officer of the Commonwealth. This gentleman may be a perfectly good man as a member of his party, and perfectly honorable in every way. All I say is that it is not desirable to have partisans in these positions. In reference to the revenue and expenditure of the country, the Government make a statement which I have been making for some time, but which I am now glad to have upon official authority. It is that we have an expanding expenditure and a contracting revenue. The Ministry tell us that the operation of the Tariff cannot allow of an expansion of the revenue. One of my great objections to that Tariff was that it must lead to a declining revenue, whilst our expenditure must increase. I wish now to deal only with the important matters which are referred to in the vice-regal speech. I want briefly to touch upon the allusion to the communication which was addressed by the Government to the Transvaal authorities upon the subject of the introduction of Chinese to work the Rand mines. I am the last man to encourage interference with the affairs of other parts of the Empire, but I do not find it at all necessary to criticise what the Government did in connexion with the importation of Chinese labour into South Africa. I think that is a question which may fairly be considered an Imperial one, and with the thousands of natives in that country which we have annexed, this resort to distant labourers in the Chinese Empire is fraught with elements of danger to the whole Empire. I therefore feel that the occasion

justified the action of the Government. I only regret that in this, as in all other great affairs, the Federal Government always plays the part of the humble satellite of New Zealand. It is Mr. Seddon who offers troops to the mother country; it is always this Government which tells the mother country that they are proud of what Mr. Seddon has done, and will do the same if they are asked. Mr. Seddon is the man who leads the affairs of Australia—the Federal Government do not. I regret the circumstance, however much I may admire and respect Mr. Seddon. Now I come to the question of the appointment of a High Commissioner and in dealing with these particular matters, I promise honorable members to be as brief as possible. I again enter my protest against men who have notoriously been candidates for positions of that sort, playing the part of political partisans. Unfortunately, the health of the Premier of New South Wales has unexpectedly broken down, and it is just possible that he may have to retire from public life, in which case this matter will be settled. Regarding the Pacific Cable. I merely wish to say that when the resolution approving of the agreement which had been entered into was laid upon the table of the House, I pressed upon the Government the desirableness of withdrawing it, and of convening a Conference with the partners interested in that cable. My request was refused, and I was defeated. Now, however, the Government are solemnly about to carry out what I assured them ought to have been done months ago. Regarding the Federal Capital site, which is referred to in paragraph 16, I would point out that each State has a subject which in the nature of things is of more interest to it than it is to any other State. But I do think we shall set a fair example if in dealing with their respective claims we endeavour to render absolute justice. It is perfectly clear that this promise to concede the capital to New South Wales was an honest promise, honestly intended, and honestly indorsed by the people of Australia.

Mr. FISHER.—Parliament wishes to carry it out.

Mr. REID.—I am sure that it does. I merely express the hope that this question will be settled, and I am sure that Parliament will see that no idle and extravagant expenditure is incurred in connexion with it. Now I come to another great question—that of the transcontinental railway. In this connexion I congratulate the Minister for

Home Affairs upon his undoubted triumph. He has at last secured the formal approval of the Government to the construction of that line, because the declaration that the Commonwealth Government has "sought the approval of the Government of South Australia for the construction of a railway to connect Western Australia with the Eastern states" is an absolute statement that the Government, as a matter of policy—subject to the approval of Parliament—intends to construct the line. I have again to congratulate my right honorable friend upon his marvellous influence even upon the Prime Minister. For many years the Prime Minister, as he publicly stated during the elections, thought that this matter was one for the future. The Minister for Home Affairs, however, was able to assure the people while the election campaign was in progress, that he had had a long conversation with the Prime Minister, who had come to the conclusion that the line should be constructed without delay.

Sir JOHN FORREST.—I did not say "without delay."

Mr. REID.—Without unnecessary delay. These are some of the marvellous transformations which occur during election times. I am thoroughly with the Government in their proposal. Now I come to the question of the States debts—a very important one—and to the subject of old-age pensions. I do think that the time has arrived when this cruel mockery of the old men and women of Australia should cease. In the manifesto of the first Federal Government this item figured. It figures again in the present vice-regal speech, and it figures in connexion with a possible arrangement in reference to the States debts. Does the Prime Minister remain ignorant of the fact—as the Treasurer can inform him—that the Treasurers of Australia—I think unanimously—agreed to the removal of that provision in the Constitution which enables the Braddon section to be terminated at the end of ten years. Does he not know that, so far from allowing that section to become inoperative, every one of the Australian Treasurers asked that the provision which enables it to be removed should be itself removed? In the light of that fact, it is impossible to institute a national system of old-age pensions.

Mr. WATSON.—Why?

Mr. REID.—Because we should have to raise £4,000,000 through the Customs in order to retain £1,000,000.

Mr. FISHER.—It can be raised by means of direct taxation.

Mr. REID.—Of course, if the Government go in for land taxation, I admit that they could raise £1,000,000 and keep it; but I understand that the policy of the Government is opposed to direct taxation.

Mr. FISHER.—The right honorable member was speaking of the possibility of raising the money which is necessary to establish a system of old-age pensions.

Mr. REID.—I am speaking consistently with the policy of the Government in uttering these words. So long as they do not alter their political principles or professed policy, they cannot possibly inaugurate an old-age pension system. They cannot, in the light of their own declaration impose direct taxation, and, therefore, if the money is to be provided at all it must be raised through the Customs. Consequently, they must raise £4,000,000 in order to retain £1,000,000. I do say that there are some things which should not become the playthings of political rhetoric, and one of them is the misery of the old men and women of Australia, who are listening to vice-regal speeches year after year, and who are saying to themselves "Help is coming; all Australia will be provided for," when there is no man in the Cabinet, or, indeed, in this House, who does not know that it will be impossible to institute a national system of old-age pensions for years to come.

Mr. FISHER.—Let us impose direct taxation, and the right honorable member will see.

Mr. REID.—That may be a condition of the new alliance—I do not know—but at the present moment the party with which the honorable member is associated does not constitute the Government, and the Government will not alter their policy until they alter their minds. Now, I want to deal with the reference in His Excellency's speech to the Conciliation and Arbitration Bill. Since that measure was before the last Parliament the situation has become a perfectly clear and definite one. In the last Parliament I criticised the Government—I think fairly—in this way: I held that if they intended the insertion of the provision in reference to the inclusion of the public servants, to be regarded as vital to the Bill, it was their duty to intimate that fact before the division was taken. No Government has a right to lead the House into false positions. If a Government intend to stake a Bill upon an issue before the House—and I think it is a legitimate thing to do, not for the purpose of

bringing party pressure to bear, but because the House should know that there are provisions in the Bill which are vital—let us know it. Some honorable members may say "I am thoroughly in favour of this provision, but in all fairness, I have to consider the consequences of my action, and as the Government have made this amendment a vital matter, I cannot vote in favour of it." However, that situation has now disappeared. The Government have declared to the country in the most unmistakable terms that they regard the amendment as one which they cannot accept—that they look upon it as an unconstitutional amendment, to begin with.

Mr. FISHER.—I have never heard them say so.

Mr. REID.—I think that the Prime Minister has said so, and he will never fall into the category of statesmen who are prepared to distort their utterances to suit the occasion. He made no uncertain statement. Of course if he spoke only for himself, and someone else has a voice in the matter, I do not know what will happen. But I object to that sort of Ministry which is like a mermaid, which has a beautiful appearance in front of the curtain, and which is only fishy at the other extremity.

Mr. THOMAS.—Like the right honorable member and the honorable member for Parramatta.

Mr. REID.—I will come to that. My honorable friend is very good to my honorable friends opposite. I never knew him to be a bad friend of any Ministry. I object to that sort of situation in which the Prime Minister speaks like an angel, and afterwards some other member of the Cabinet throws his tentacles over all the members of the Labour Party in the corridors. We do not want a Ministry of that mixed formation. I take the utterances of the Prime Minister as binding the Government before all Australia. If it were not so, he would be most careful to say that he did not speak as Prime Minister, with a possible risk to his office, but in the hope that he would subsequently get his colleagues to agree with him. However, he did not say that. He spoke of the amendment suggested as one which the Government could not accept, and as an invasion of the constitutional rights of the States. I think that he is right, and I suppose that I have a right to express my opinion at any time I choose.

Mr. PAGE.—The right honorable member generally does.

Mr. REID. — Yes. I have no hesitation in agreeing to the view which the Prime Minister entertains, and so far from my desiring to seize any advantage from him in his position of embarrassment upon this matter, he will have my support. Of course, since one lives in danger of all sorts of recriminations, I wish it to be distinctly understood, in justice to some of my friends who voted in favour of the amendment to which I have referred, that I can in no way influence those who have given pledges to their constituents as to the way they shall vote. I hope that honorable members will understand that in that respect I speak only for myself. I leave honorable members on this side of the House to their own views, and especially to their own declarations to their constituents. I wish to come to one of the practical matters which is referred to in the Governor-General's speech, and which is one of much importance. I must heartily concur with the enlightened view of the Prime Minister with reference to the public necessities in the way of our doing what we can to encourage our great natural industries. I agree, most heartily, with everything that he has said, so far as that point is concerned; but my only disappointment is, that whilst we have in the Governor-General's speech the most beautiful descriptions of the condition of affairs which prevails, and which is to be remedied, I fail to find any remedy suggested. It is one of the singular attributes of the Prime Minister that he can unfold one of the most comprehensive and elaborate policies known to mankind without making a single definite proposal. But we do not require a statesman to repeat, although, perhaps, in infinitely more graceful and eloquent language, that of which the newspaper men have been writing every day for the past twenty years. We do not need a statesman to tell us what every one tells us—that agriculture should be encouraged. And, by-the-way, I take a much broader view of this question than do the Ministry. Why should not the great national industry of mining be encouraged? I desire to encourage every great national industry, but I find that we have nothing but farming referred to in the Governor-General's speech. I shall join heartily and earnestly with the Ministry in everything they will do in that direction. I cannot, of course, agree with some of their chimerical proposals. When the Tariff was before the last Parliament, I think that honorable

members of the Opposition showed their practical sympathy with those engaged in our great national industries by endeavouring to place as few obstacles as possible in the way of their securing the things necessary to carry on their operations. That is one of the most practical things that a Parliament can do. Parliament should endeavour not to place burdens on struggling men, but to avoid doing so. But these obstacles exist, and those who were enriched by the imposition of high duties upon all the necessities of their industry, have this consolation: that the honorable and learned gentleman, who was instrumental in putting those burdens upon them, has a very high opinion of them, is very sorry for their troubles, and is very anxious to see them better off. We are all in exactly the same position, but we can find some one below the status of a Prime Minister to tell us of these things. The people of Australia look to a Prime Minister with all the resources of advice that he has in the Cabinet, and with the eminent official authorities of Australia at his back, to provide remedies, if remedies are to be obtained. If there are none, let us be manly and say so. Do not let us delude struggling people with illusory views of something wonderful that we propose to do for them, when we have no idea of how to do it. The only definite proposal in reference to agriculture that I can find in the Governor-General's speech is one which may be viewed with somewhat mixed feelings. But, here again, I am thoroughly with the Prime Minister, who perceives, as I think most men must perceive, that the state of Australia, at present calls for the most serious consideration. If we reflect, as the Prime Minister has reflected, we must readily see that this is so. No man has drawn more brilliant pictures than those drawn by the honorable and learned gentleman, in the years gone by, of the glorious destiny in store for Australia, and of the grand institutions of this country, which we invite people in other lands to share. No man has drawn more brilliant pictures than he has done of the past prosperity of Australia, and of its prosperity in years to come. But the point is this: that having this great continent, with its vast possibilities, with its scant population, in contrast with the crowded countries of Europe, in contrast with the ancient well-ploughed fields of human industry in those old countries, we find, in spite of all our marvellous advantages, that the stream of human attraction, the stream of that which helms

on human attraction—the capital to be invested in enterprises in the Commonwealth—has ceased to flow. These streams, which flowed so lavishly to Australian shores in years gone by, and which in most cases brought our fathers here, have stopped. As the Prime Minister says, we now have stagnation. Seeing that we have passed so many wonderful remedies, in the way of legislation, for all the ills which afflict humanity, that we have adopted such a benignant policy, and that we have institutions so perfect as to be the cynosure of all eyes, is it not a thousand pities to find that for some reason or other, the eyes of humanity, the eyes of enterprise are turned away from us? It may be the fault of the people of other lands, but had we not better inquire into the cause? What is the cause of it? The question is worthy of consideration. Do honorable members know, as stated by the Prime Minister at the recent Conference of State Treasurers, that out of 780,000 immigrants to Australia in forty years 635,000 were assisted immigrants? Do we realize the significance of that fact? Six hundred and thirty-five thousand human beings settled in Australia during the last forty years, with State assistance, while there was only 145,000 immigrants without assistance. How many of the Australians of to-day—how many of our present population of 4,000,000—can say that their fathers were not helped out to Australia? I am not saying that we should at present adopt the policy of assisted immigration. The question of whether something should not be done is a matter for very serious consideration, but I do not at present say that we should adopt that policy. If it be adopted, it seems to me that it can be adopted only as a national policy—that the movements between the different States make their settlement so uncertain that no one State would incur the expense of carrying out this policy. The Prime Minister has pointed out that in this serious crisis the one need above all others is that we should have not merely immigrants, but immigrants of a certain class—farmers. I agree with him. We must all agree with him that if we could pick and choose our immigrants the only men for whom we should have any strong desire would be farmers from the old European countries, possessing a certain amount of capital that would enable them to begin farming life in Australia under sensible conditions.

Mr. PAGE.—And a few more hatters!

Mr. REID.—May I suggest that we are discussing a national question, and that it is not to be disposed of by a joke? No one in this House takes greater indulgence in the field of jocularity than I do; but I hope, as I am sure my honorable friend does, that there are some subjects upon which a man can be serious.

Mr. PAGE.—The right honorable gentleman made the question of the six hatters a serious subject.

Mr. REID.—But I am not dealing with that question. I am dealing with another matter, which I think is a very serious one. My honorable friend will probably agree with me that if there is one hope to which we must cling for the sound development of Australian greatness, in the absence of some marvellous discovery of mineral wealth, which might at once change the situation, as if by magic, it is to be found in those who cultivate the soil. This is no discovery. It is one of those platitudes that every boy in a public school must appreciate. But I am coming to something more practical. I am sure I am now addressing a large number of honorable members who have had a long experience in the country districts of Australia, and I would appeal more particularly to those who have had that experience in the State to which I belong. I believe that I am not wrong in saying that the number of farmers from the other side of the world, who have come to New South Wales with capital to carry on their industry, has always been very small.

Mr. WEBSTER.—Very small.

Mr. REID.—That is the most difficult class to obtain. If a man has capital, and has a home—perhaps the home of his family for centuries—he finds it one of the most severe wrenches in life to tear up the roots of his household and go to a new land. The fact is, however, that these men do not come here. I believe that if we were to poll the farmers of Australia to-day, we should find that they were not men whose fathers placed them on the soil. Very few of them have had that experience. The great bulk of them are men who began life by working for ordinary wages on the stations and farms of Australia. They began by saving their money; they acquired a knowledge of the districts in which they lived, and the moment they obtained sufficient means they became selectors, and gradually developed into farmers. That is the history of agricultural settlement in Australia. And yet I assert in this House, and

in the presence of Australia, that if any man in the Commonwealth decided to bring out from the mother country 100 agricultural labourers who would settle on our farming lands, and acquire some small savings with which to begin farming operations for themselves, those men would be subjected on their arrival either to fine, imprisonment, or transportation.

Mr. WATSON.—They would not save much on most farms.

Mr. REID.—While the Prime Minister is searching for heaven-sent mysterious remedies for the paralysis of Australian development, this House and the present Ministry have placed round the shores of Australia a notice board bearing the sign—"Trespassers will be prosecuted according to law."

Mr. WATSON.—That is the cause, I presume?

Mr. REID.—The honorable member for Maranoa referred to the case of the six batters. May I suggest to the honorable member, from information which I have obtained from reliable sources—mostly from Australians who have been home and returned to our shores—that much as we can afford to laugh here, the position is a serious one. So far as we personally are concerned, we have no problem to solve. We have here a close preserve. We have had to fight for it, but now that we have got it, it is all right—we have struck comfortable surroundings. The problem of settlement—so far as we are concerned—has been settled for three years—

Mr. FISHER.—I would not say that.

Mr. REID.—I hope that it is. Our position is secure, subject, of course, to the right of petition. I wish to point out that the answer given to me on this head is not sufficient. So far as I can judge, the objection to the views I have expressed is infinitesimal. The answer I have received from honorable members, and from one or two isolated persons who have interjected at the public meetings in my own State, at which I have expressed these views before thousands of electors, is—"If you import an agricultural labourer from England, under contract to perform work here, he is not a free man." That argument is not a valid one. If the statement be true, no one under a contract to perform labour for wages is a free man. The labourer who is imported under contract is just as free as the labourer who, in Australia, signs an agreement to perform certain work for a certain period at so much a month. In the

case of the imported labourer, inasmuch as the money paid to bring him out to Australia has been advanced by the person with whom he has contracted, the agreement for service would probably be for a longer period than is customary here, in order that the passage money may be honestly repaid. It must be remembered that the State does not put its hand into its pocket to pay the passage money of these men, as it did to pay the passage money of the 650,000 assisted immigrants who arrived here in the past forty years. Private enterprise, unassisted by the State, brings out these men, and enables them to enrich our Australian blood. I suppose we have not yet got to the pitch of thinking that English, Scotch, and Irish immigrants will contaminate our blood. We have not yet turned on the blood that runs through our own veins. In looking at the practical conditions of farming in this continent, our only hope for the future is, that agricultural labourers from other lands, who have nothing to tempt them to stay there and everything to induce them to come here, will be prevailed upon to immigrate to Australia.

Mr. WATSON.—Does not the right honorable and learned gentleman know that in New South Wales thousands of our farmers' sons cannot obtain land?

Mr. REID.—My honorable friend is missing the point which I am making. The agricultural labourer who comes out here is not a farmer's son who can take up land. He is a man whom the persons who hold these millions of acres can employ. I admit that the curse of Australia is that our best land, which should attract sensible farmers from other countries, is in very large holdings.

Mr. WATSON.—There are plenty of labourers to be got.

Mr. REID.—That was the cry when Robinson Crusoe inhabited his island. There was plenty of labour to be got because he did not need any. My honorable friend has missed one of the greatest lessons affecting the development of new nations settled in vast territories, if he has not learned that, granted the vastness of the territory, the magnificence of the resources, and the sparseness of the population, every human being coming into the country is a source, not of misery, but of wealth.

Mr. FISHER.—We all admit that.

Mr. REID.—Every man who comes here, I do not care what his employment, becomes

a customer to fifty other working men engaged in fifty other industries.

Mr. WATSON.—No one objects to that argument.

Mr. REID.—I am glad to hear the honorable member say that. It seemed to me that some rudimentary principles were being misapprehended. It is a rudimentary principle of colonization that the immigration of desirable immigrants—I quite admit that they must be desirable—to a young country like Australia is a good thing, not only for the immigrants themselves, but for the people who are already here.

Mr. CONROY.—Although the Act is keeping out good men, it did not keep out Dowie!

Mr. REID.—So far as Dowie is concerned, if he had had the good sense to retain a bodyguard consisting of a certain friend of mine, he would not have had trouble at his public meetings. In my opinion, the episode of the six hatters, which has been laughed at here, has caused the reputation of Australia more injury than perhaps anything else in our history.

Mr. FISHER.—The right honorable gentleman surprises me.

Mr. REID.—It may be a subject of jocularly to some, but to my mind one of the causes of our present trouble is the withdrawal of the confidence of the people of England from Australia because of the way in which we have treated Englishmen who have come here. I may be entirely wrong, and my honorable friends may be possessed of the knowledge and discernment necessary to show that I am so, but I respectfully desire to offer that as my personal opinion.

Mr. TUDOR.—It is a number of the Whitaker Wrights in Collins-street who are frightening capital away—men on the Stock Exchange.

Mr. REID.—That is contemptible if it be so. But what would be the feelings of Australians if we were told that six young Australians who had gone to England under an agreement were to be shipped back to Australia? We should have the Australian flag waving frantically in the air if that occurred. It would be said—"You call England the mother country, and yet when six bright young Australians were called from their native land because of their superior qualifications to engage in an honest industry in England"—the hatter's trade is an honest industry—"the Prime Minister of that country has taken a week to consider whether they should be sent to gaol or kept on

board ship until they can be returned to Australia." We should have our friends of the Labour Party, especially if the men concerned were members of labour unions, up near the ceiling in their denunciation of the outrage upon the integrity of the labour of the Empire.

Mr. SPENCE.—Not at all. We should say "serve them right."

Mr. REID.—Considering that these hatters were genuine unionists, who were to receive union rates of pay, the Labour Party have since taken them to their bosoms very kindly. They tried to send them home again, but when they failed, they took them to their bosoms. That is a kind of treatment which may recommend itself to certain honorable gentlemen, but it is not characteristic of the mass of the workers.

Mr. McDONALD.—Is it true that the six hatters were working against the free-trade party at the last elections?

Mr. REID.—I think it highly probable that they were, because they are engaged in a protected industry. I regard the provision of the Act as unfortunate. Its intention was not a bad one, and I believe that some of the members on this side of the chamber voted for it. Its honest and proper intention was to prevent the introduction during strikes of masses of labourers. That was the chief object, and the second object was to prevent workmen in other countries from being made the subjects of fraudulent deception. I am with the members of the Labour Party in wishing to achieve those two objects. I am not fighting against that, and I would vote every time to secure those ends. But I draw the line against the third object of the provision. I say that we have no right to prevent the immigration of men from the mother country who want to settle here, not as loafers, but as workers, who have honest work awaiting their arrival.

Mr. TUDOR.—To displace other workers here!

Mr. REID.—Now we have a line upon which the Ministry must be challenged. This sentiment—I will not be so unfair as to say it is the sentiment of the whole Labour Party, because the views expressed now are simply those of the individual members, who have interjected—raises a clear issue with the Government. The speech of the Governor-General and the manifestoes issued by the Prime Minister throughout Australia in their highest notes dwelt upon the supreme necessity of a stream of immigration from other countries. Surely the Labour Party will not strike an aristocratic line, and say

that, while they are perfectly agreeable to the immigration of gentlemen with private means, of farmers' sons and others who have a few hundred pounds in their pockets, and who, after looking round the country, may fix their abode and invest their capital here, they object to the introduction of mere workers! Such an aristocratic line as that is surely the last which the Labour Party can draw. If they believe in immigration at all, surely they will not deny their fellow-workers in the mother land the privileges which their own fathers enjoyed under the auspices of the State, and out of moneys provided by the public Treasury! I leave that point to deal with another aspect of the brilliant pictures which the Prime Minister presented for the comfort of the farmers of Australia. In the first place, his dominant point of policy is to bring out more farmers to compete with those already here. That may be thought a curious remedy for the distress of our own formers. I take no such ridiculous view. I say that Australia is wide enough to receive hundreds of thousands of desirable immigrants of all classes.

Mr. WATSON.—If we can give them land.

Mr. REID.—The Prime Minister said—

The preferential trade proposals now engaging the attention of the people of Great Britain will, if approved, secure to us an immense and reliable market.

What a grand thing we have in view now. The honorable and learned gentleman is not speaking in the language of rhetoric. "Secure" is a grand word, and he promises to secure to the farming community an immense and reliable market. It is marvellous, to my mind, that he should have remained ignorant of the policy of the Imperial Government, as announced in the House of Commons a few days ago during the debate there on the Address in Reply. It is astounding that the Government should refer to a scheme of preferential trade in the Governor-General's speech as something to be mentioned in connexion with agricultural distress in Australia. Does not the Prime Minister know that the Imperial Government a few days ago formally and expressly announced to the Imperial Parliament that they did not approve of a policy of preference? Is the Prime Minister aware that they formally and explicitly announced to the Imperial Parliament that they would be no parties to imposing taxes on food? How can the Ministry put such delusive statements in the vice-regal address when the Imperial Government

expressly state that they are opposed to preference and opposed to taxes on food? Mr. Chamberlain is a very great man, a man for whom I have unfeigned admiration, and I believe his motives are absolutely good. I give that distinguished man absolute credit for believing that the policy he is advocating is a good one for his country.

Mr. CONROY.—It would be charitable to say that old age has turned his brain.

Mr. REID.—If it were as the honorable member says, I should look for more respect for old age from the young. The time may come when my honorable friend may be in a similar position, when his worst enemy will not jibe at him. I do not approve of the interjection, which it seems to me is in the worst of taste. Of course I was a young man myself once, but I do not sympathize with the observation.

Mr. CONROY.—Our party in this House do not view Mr. Chamberlain with unfeigned admiration.

Mr. REID.—My honorable and learned friend must understand that I am not indorsing every view that Mr. Chamberlain has expressed during his lifetime. If I did so, I should have to contradict myself very often. I give him the personal credit which I believe is his due, although I am as strongly opposed to him on this matter as any one can be, not as it affects the Colonies, but as it affects the millions in the mother country herself. The Prime Minister spoke of a certain pamphlet of Mr. Balfour's as superb.

Mr. DEAKIN.—Hear, hear.

Mr. REID.—Does the Prime Minister omit to draw from that pamphlet the fact that, by his policy, he has placed Australia in the precise category in which Mr. Balfour puts Germany, France, and the United States? Is he aware that the only policy adopted by Mr. Balfour, in that very pamphlet, which is superb—is one of retaliation.

Mr. CROUCH.—That is outside the Empire.

Mr. REID.—I admit that my right honorable friend has a right to interject upon all these great questions. The principle of the policy of the Imperial Government, as disclosed in that pamphlet written by Mr. Balfour, is retaliation.

Mr. CROUCH.—I repeat, "Outside the Empire."

Mr. REID.—I shall deal with that subject presently; for the present it is the property of my honorable friend. Where is Great Britain to retaliate, and for what? Against

countries that design their tariffs to shut out the products of her industries. That is the design of the Tariff of the Commonwealth. There is no preference for England there. There is the barrier to British trade ; not to the same extent as the Ministry desired—thanks to the Opposition. The Government tried to build a stiffer wall against the mother country, and we pulled it down. Yet we are called foreign traders. There was a time, for thirty years, when the protectionists called us foreign traders, because they wanted to shut out the British manufactures, which, in the old days, competed seriously with Australian industries. However, Mr. Balfour says that his principle is retaliation, and the policy of the Government brings us within the sphere of Mr. Balfour's denunciation. Yet the Government are now posing as the party of loyalty and affection for the mother country. Of course, the British Government are not so silly as to announce that they will treat the Commonwealth in the same way as France and Germany ; that would burst the whole balloon.

Mr. CROUCH.—The right honorable gentleman said so at first.

Mr. REID.—If I did, I fell into an error which my honorable friend has very gracefully corrected. What I wish to show is that in the case of the Colonies there is an observation that moral suasion is to be used. The whip is to be employed in the case of France and Germany, and moral suasion, which I suppose will take the form of placing us over the Imperial knee, is to be used towards the Commonwealth. With reference to the policy of preferential trade, I say in the first place, that the Imperial Government has expressly repudiated it, and secondly that it must be years before the people of England can vote upon it. Further, to talk of the policy of preferential trade, even if it were carried, as offering a secure market for Australian products, is to speak in blind ignorance of the fact that Canada has millions of acres of untilled agricultural lands within 3,000 miles of the mother country—lands which farmers may obtain for nothing. To talk of the struggling Australian farmers who have droughts to fight against and difficulties to contend with in securing land, and who are under the necessity of paying a high price for labour as compared with Canada—to talk of their securing a reliable market under preferential trade, whilst we have an enormous Canada in the west, and an enormous India in the east with its coloured labour, is to set pretty music, in

which there is no sense, for the people of Australia. We shall have to settle our troubles in some other way. May I also suggest that the Government should have some sympathy with the farmers in England and Scotland and Ireland. Are these men, with their high rents and taxes, and their soil which has been exhausted by intense cultivation for centuries, to have no preference, no help ? The great landed interest of England is sitting quietly by, but when we come along for our preference, a mighty irresistible cry will come from the Tory party of England. As the Prime Minister says—"Charity begins at home," and as he further remarks, "A statesman must look after the people of his own household." The Tory party of Great Britain will ask that the people of the British household, who pay the British taxes, shall have some preference against men in these new lands who tax British industry. So that the whole of these references to the subject of preferential trade are the merest trifling with the stern necessities of the situation which confronts us. Something more than a poetic inspiration is required to meet the practical needs of Australia. We are told that new industries are to be encouraged. What are they ? The growing of cotton and coffee—black labour industries all the world over. Where is the coffee of the world grown ? In tropical countries. What labour is used there ? Coloured labour. Where is cotton grown ? In tropical countries. An attempt was made to grow it in Fiji, and one would have thought that it would have had a very good chance there with the employment of coloured labour, but the industry was a failure. Experience has shown that the industries to which I have referred flourish only in tropical countries teeming with coloured millions to work in their coffee plantations and the cane-fields and cotton-fields. There is one point upon which I hold a very firm opinion. I would rather have the Northern Territory go on until eternity, with the best industry that can be found to fit its conditions, than introduce the coloured races into even a corner of Australia. I would rather let it lie as it is than open the dyke for the yellow flood that we should have to fight some day with all the strength that God has given us. I believe that that principle is supreme—it means self-preservation ; and I think that those who are crushing out the coloured labour on the sugar-fields of Queensland

must take us for a lot of simpletons when they talk to us of coffee and cotton growing as industries which could be profitably established in Australia. Such talk would be all very well at a banquet, but it is utterly out of place in a serious deliverance such as that now before us.

Mr. EWING.—There is a great deal of cotton grown in America by white labour.

Mr. REID.—Then I am very sorry for the white labour. In both the industries—cotton and coffee growing—white men fill the best positions, but coloured labourers do the hard work. Now I wish to deal in a few words with one or two of the remaining items in the Governor-General's speech. There are three matters to which I wish to refer before I resume my seat. I ask honorable members to recollect that the Government came before the people of Australia flying the flag of loyalty to the Empire and Imperial unity. Now let us see what this Imperial unity of this Empire-loving Government means. Shipping laws to penalize the ships of England—shipping laws against the country whose ports are open to the Australian flag without let or hindrance. The moment, however, that the Union Jack is borne into these Australian seas we become American, and not British. We apply American laws to the British flag. If the Government really believe that preferential trade will open up great avenues to farming enterprise, if they really believe that we shall have tens of millions of bushels of wheat to sell to the people of Great Britain behind the preferential barricade, this is not the time to penalize the British people at every point, by proscribing their immigrants, proscribing their shipping, and discarding their mail services. I know that we shall have to thrash out all these matters by-and-by, but in the meantime the Government, by its actions, is sending the knife right into the unity of the British Empire. I do not quarrel with the Government in the attitude they took up in the first instance in reference to the mail services. The then Prime Minister said that he would do all he could to bring about a white service; but he pointed out the difficulties. In the Senate the provision for the employment of white labour upon mail steamers was omitted. The Vice-President of the Executive Council showed how mischievous it would be to insert the clause, and his arguments were so convincing that he secured its rejection by seventeen votes to nine. When the Bill came to this House, and an amendment was moved to re-insert the

provision, the Prime Minister spoke in opposition to it, and the Government were hostile to its inclusion, but when they found that the Labour Party had made up their minds to have the clause, they agreed to its re-insertion.

Mr. DEAKIN.—I think the Prime Minister spoke in favour of the provision.

Mr. REID.—However, that may be, my point is that I agreed cordially with the Prime Minister in the attitude he first assumed. With him, I wished to see white labour employed wherever possible—I think that every man must instinctively desire that—and I backed him up, with a view to bring about that result. When honorable members speak of my inconsistency in reference to this matter, I am glad to be able to remove their misapprehension. What did the Postal Conference affirm? That it was desirable to communicate with the home authorities, with a view to secure the inclusion in the mail contracts of a provision for the employment of white labour.

Mr. JOSEPH COOK.—They affirmed the desirability of discussing the matter in the Parliaments.

Mr. REID.—Yes. And we did discuss it. We tried to induce the Imperial Government to insert the clause. Our attitude and that of the Government, up to that point, was the same. But the difference between us was that later on, when the Imperial Government would not comply with our wishes, we did not take the alternative of breaking up the mail service to Australia.

Mr. THOMAS.—The right honorable member said, "Yes, Mr. Chamberlain," then.

Mr. REID.—Mr. Chamberlain was not in office then. Moreover, we said "Yes" because we thought it a wise thing to say under the circumstances. We would not go to the breaking point. We thought that it was desirable to employ white labour only, but we would not go to the extreme of breaking up the mail service of the Commonwealth upon that point. We did not think that the question involved was large enough to warrant us in so doing. My position is absolutely consistent. I was with the Government up to the point of doing all that they could to induce the Imperial Government to place the mail contracts upon that basis, but I stopped short, and would not be a party to the extreme action which the Government have taken. But there is still another brilliant picture which the Prime Minister drew. Not only were we to have a white ocean mail service, but we were to

secure such a wonderful contract with the white service company that we should lay our farmers under immense obligations to us. The contract was to include most masterly provisions for the transport of all kinds of Australian perishable produce. All this was brilliant. People began to applaud the statesmanship of this masterly move. But after the Postmaster-General has hunted all round Melbourne for tenders the fact remains that we are face to face with a very practical situation; and I say that, much as every man may desire that these mail steamers should employ only white labour, the price which we are asked to pay is too great for the smallness of the object in view. Now that Ministers find that they cannot carry out this project, it is singular that they have suddenly become enamoured of the practice of paying for the carriage of Australian mails in the same way as we purchase tea or sugar—by the pound. There is also some mention made of an improved new service with the New Hebrides. Will the Government prevent the natives of those islands from procuring employment on these ships.

MR. DEAKIN.—It must be all white labour upon these ships.

MR. REID.—What a marvellous attitude to assume! We send our subsidized ships to make money out of the labour and energies of the poor wretched natives of the South Sea Islands, and we will not even give them a billet in the stokehold. What a magnificent, magnanimous attitude for Australia to take up. It is fit to rank with that momentous week during which the two men in Australia who excited most attention were the Prime Minister and the secretary of the Hatters' Association. If these projects are intended to make for Imperial unity, and for the cultivation of brotherly feeling and affection between the millions of England and our farmers, who wish to sell them their produce, I say it is an unbusinesslike thing to irritate and aggravate the men by whom we want to enrich ourselves. It is an aggravating, irritating, unstatesmanlike thing. Of course, my honorable friends of the Ministerial benches would naturally very much prefer not to listen to me, but I must thank the House for the patient attention which they have bestowed upon my remarks. As the leader of the Opposition, I wish it to be distinctly understood that we in no sense entertain the slightest fear of any progressive Liberal legislation. We have never done so. The traditions of our party are those of the great

Liberal Party. I have always incurred the animosity of the privileged classes of the community by the course which I took in compelling them to pay their fair share of the public taxation. These traditions, in the State of New South Wales, remain with us to-day. We must—as all sensible men must—look upon progress as the universal law. We must look upon change as an evolution which is inseparable from not only the existence, but also the improvement of mankind. We do not fear change, we do not fear progress. I wish to say again in the most emphatic manner that we are in absolute sympathy with the most progressive legislation, that we entertain none of the old conservative idea that change is bad, and that progress will lead to calamity. There is nothing written more clearly upon the page of history and upon the face of the world than the one bright truth that amidst all the passing clouds of disaster, amidst all the horrid features which we occasionally see in the progress of mankind, and in the evolution of the highest forms of human society—through all the centuries, through all those fearful passages, humanity is rising, always rising, to a more perfect state. Having this feeling in favour of progress, and entertaining this belief in the future of mankind, we have ideals. The highest ideal for a party is such a use of its powers as to enjoy the confidence not of one class, however influential, nor of one mass, however powerful. The idea of representative government is that a man should be equally the representative of every individual and every class in his constituency, that he should enjoy the confidence of every man, or at any rate of the men of every class in his constituency. So with the evolution of our national politics. Our ideal is that in deciding the great issues which affect the fate of nations, we should, when we enter the ballot-boxes of Australia, endeavour to leave our own interests behind us. We should try to forget the thing which would help us as against our fellow men. In short, our desire should always be to vote in such a way as to keep public affairs upon a high elevation of public sentiment and public principle, without the alloy of class interest or class selfishness. These are ideals upon which depends the prosperity, not only of the rich, not only of the few, but also the well-being of the whole mass of the community. The triumph of extremes is—and never more so than now—always followed by suffering and disaster, which are felt by those who are least able to

bear them. I can understand that persons suffering under tyranny may throw reason to the winds—their country must be free, no matter how many despots disappear. But we are not in that position. We have fought out our great political battles in advance. The political equality of the people is enshrined in our Constitution, and now that we have such a Constitution—keeping in view the complicated interests of this vast community—the only true path of national progress and development is that which proceeds upon broad but moderate lines.

Mr. DEAKIN (Ballarat—Minister for External Affairs).—I am grateful to the House for the respite which was afforded by your kind consideration, Mr. Speaker, to the suggestion made that we should adjourn at the close of the speech made by the leader of the Opposition. Having listened to the remarks of the right honorable the leader of the Opposition with close attention, I found myself, and assumed that others would probably find themselves, somewhat fatigued by the strain necessary to follow a speech so comprehensive and able, and dealing with a vast variety of subjects in the right honorable gentleman's best manner. I felt also that the concession granted would not be lost, since it afforded an opportunity as necessary to me as it was to the right honorable member to survey some portion of the ground to be traversed, in order not to detain honorable members more than was absolutely necessary. Let me first acknowledge the admirably practical manner in which the honorable members who moved and seconded the address fulfilled their task. Then allow me to say that I do not propose to complain that the leader of the Opposition pointed to his own small successes and expressed the natural satisfaction of an antagonist at the misfortune which has befallen honorable members who sat on this side of the House. The interjection of approval which I gave to his references to the loss we feel was absolutely sincere. We have lost some of the best men it was ever my privilege to see in Parliament. I assert with perfect indifference as to the side on which they sat, or the principles which they supported, that more upright, more patriotic, more public-spirited men never sat in any of our legislatures. I do not think it necessary to detain the House with more than the briefest reference to the condition of affairs by which those losses were brought about. It is not necessary to apologize for them, or even to

explain them; but it should be said once and for all that those who recognised the position in which the Ministry went to the country felt that the exultation expressed at that time by my right honorable friend and those around him at the opportunity afforded to them was well founded. We had lived through a Parliament of about two and a half years' duration, and of that life about two years had been spent in session. The Cabinet had just lost three of the leading statesmen of Australia. We had coped with a long series of great questions in the presence of three parties, for the House was divided then—although not in the same numbers, on the same principles—as it is at present. Our one cardinal obligation had been to discharge the supreme duty resting upon us as a House and as a Government to pass a tariff in some shape before we closed our labours. Yet that was the question upon which the House was most seriously divided. Our "Customs," if I may parody the poet, rested "upon us, with a weight heavy as frost, and deep almost as life." The necessity of passing a tariff, however mutilated, in order that the mandate of the Constitution might be fulfilled, and that the finances of both Commonwealth and States should be preserved, was absolutely imperative. Whatever might have been the form in which it emerged from the trial in this House, it was the first duty of the Government to pass it, and pass it at any cost. That was one of the considerations which, as the right honorable gentleman remarks, did not put us in a favourable position for an appeal to the country; nor were other surroundings such as to award us even a share of good fortune. We had to encounter in this State—the centre, as my right honorable friend has often observed, of the fiscal views which I defend—a gross want of discipline, that lost us several seats. On the other side of the river, the right honorable gentleman, more fortunate, was at the head of a great and well disciplined organization, which enabled him to reinforce his strength. Whilst my friend had here, as he had in other States, a strong and resolute press to support him, we found ourselves, in New South Wales, confronted, not only by the right honorable gentleman—a tower of strength in himself—confronted, not only with the strong party with which he has been allied for years, but by the two great morning dailies, both of them speaking in absolute unison in support of everything done by him,

or in his name, and condemning everything done by us, or in our name. That was an enormous handicap. Those familiar with public life will realize that it must tell heavily in any election, and it told with peculiar force, under the peculiar circumstances which aroused feeling in that State. I am in one respect in thorough accord with the right honorable gentleman. I believe that my own career, like his own, shows a determination at all hazards to ignore sectarian differences in the political arena. Like him, I view with regret their intrusion on either side. He himself has stated that, without reference to his own utterances, a certain vote was cast against him; but it is also equally clear that a certain vote was cast for him, and that in his State the second vote was immensely the stronger of the two. Consequently, in that State we suffered practically the whole of our electoral misfortunes. It has always been a matter of regret to me that the two States in the union who are the closest neighbours—the most intimately allied in commerce and intercourse—should have been divided on the one question on which Federal parties were founded. That, however, is the fact, and if my right honorable friend, when he looks back upon his brilliant efforts in that campaign has anything to regret or if I—as one returning with interest the kind and cordial expressions which he was good enough to utter—have anything to regret for him, it is that he should have stepped from his high Federal position of independence to appeal to narrow provincial motives which should never be introduced on a Federal platform. They, like sectarian influences, should be sternly put aside. I trust that whatever may be the differences of opinion which separate us in this House, they will never be created by the boundaries of the States, or represented by appeals to one section of the people. In these circumstances—my right honorable friend's influence and ability, his organization, his press, the local feeling that existed across the border—what wonder is it that a number of those who supported the Ministerial policy lost their seats, and that we thus find ourselves reduced in strength? When all these facts are realised it will be seen that the principles for which we contended had far less scope and effect in that contest than they have in ordinary contests. They taught us the lesson—that over the area of Australia it is difficult, if not impossible, at the present time to put forward

one platform which will become the standard of support to one side, and of opposition to the other. My right honorable friend alluded to the circumstances associated with the general elections in Queensland. He might also have referred to other States in which the main question submitted by myself, as well as by himself, were passed by in favour of other considerations. He should realize that one reason why we stand in this Parliament today divided into three parties instead of two is the great size of the Commonwealth. The differences in political training, in habits of thought, and access to information, between the people of these States have led them to attach very varying importance to the Federal issues submitted to them. There are, consequently, three parties in this House because Australia is practically divided in itself, and has not yet come to that full consciousness of its Federal responsibilities and powers which will ultimately resolve us into two parties, and two alone. Then my right honorable friend has another advantage in connexion with the general elections. I claim no credit for the Government, because it submitted a positive and somewhat elaborate programme. Any Government in the circumstances would have been obliged to do the same if it cherished any hopes of success. It is part of the responsibilities of its position. The Opposition, on the other hand, enjoyed, as they always enjoy, if they choose to exercise it, a far greater freedom; a freedom from any positive or constructive policy of their own—a choice of simple negatives, which enabled them to unite all their conflicting forces against a Government programme. My right honorable friend, past-master of tactics as well as of their exposition, took full advantage of that situation. His policy was to present no policy, except in the negative. Even on the fiscal question, to which I must presently allude, his attitude was that of general hostility to the protectionist duties which had been passed. It went no further. In almost every particular of the Ministerial programme the right honorable member confined himself to general, and certainly genuine, indications of his dislike to them or to minor matters. The questions put by us to the Commonwealth—the adoption or rejection of our whole policy—were met by my right honorable friend with a demand that those who followed

him should content themselves by rejecting them. That, as we all know, is another practical advantage which he enjoyed. Whatever a Government has done it has always made fewer warm friends by its actions than it has made enemies of those who think some other course ought to have been followed. Whatever it may have left undone is remembered by those who are innocent, perhaps, of all knowledge of the circumstances which compelled or advised the omission. Every Government suffers from this condition of affairs. It was not peculiar to this Government or to the last elections, but operating as it did throughout the whole of Australia, extending over a vast field, and working upon undisciplined forces, the marvel is that the Government comes back to find itself in possession of the Treasury benches.

Mr. REID.—In physical possession.

Mr. DEAKIN.—Quite so. That is, after all, a remarkable achievement. We had to confront not only the right honorable gentleman, but an independent party in this House, following its own announced platform—a platform that in this and many of the States comes so much closer to our own than to that of the Opposition that the antagonism of those who stand in its name is to us more deadly. We who, like my right honorable friend, claim the title of “liberal” and even of “radical,” know that those who hold opinions similar to our own are our most dangerous antagonists at the poll, and consequently we suffered, as my right honorable friend has pointed out, to an even greater extent than did his own party.

Mr. JOSEPH COOK.—Not in New South Wales.

Mr. DEAKIN.—We suffered to a much greater extent, except in New South Wales and Victoria, where the position remained practically unaltered. When all these circumstances are taken into account—and I dismiss them now—it becomes easy to understand why we face the House with only one-third of its members as our supporters, independently of any other organization. My right honorable friend still enjoys, and while he remains in opposition will continue to enjoy, yet one more advantage.

Mr. REID.—I will give them all to the Prime Minister if he will change places with me.

Mr. DEAKIN.—When my right honorable friend crosses to this side of the House he will not be able to hand over those advantages to us to the same extent. Honorable

members on this side who are Ministerialists have been returned on the Ministerial programme, which is positive, while honorable members on the opposition side have been returned on a programme which is negative. Deep divisions will rend the right honorable gentleman's ranks when he steps from mere negations to positive propositions. At present he is able to keep under his banner many whose contrasted sympathies were reflected in their faces in spite of themselves during his remarkable deliverance this evening. The smiles which rippled over the faces of one section were surely heralded by the frowns of the other while the leader of the Opposition, in his inimitable way, turned lightly from one difficult problem to its fellow. That indicated only too plainly that his power lies, as he now perceives, in pursuing to the last a barren policy. He has maintained it consistently in the admirable speech to which we have just listened. When the Opposition put to sea under his captainship, they sailed under sealed orders; those who expected that to-night the seals would be broken, and the ultimate destination of the party known, are no better informed now than they were before.

Mr. REID.—I am waiting for the offer that is coming.

Mr. JOSEPH COOK.—“Prescribe when you are called in.”

Mr. DEAKIN.—That dictum has the authority of one of the greatest of English statesmen, Sir Robert Peel; but it was more apt in his day, when the public not only took a much smaller share in the business of the nation, but were taken much less into the confidence of their leaders, than now. At the present time a negative policy can be pursued only for a short distance, and for immediate purposes. If followed further, it will fail. It is not the noblest kind of strategy. Indeed, it may be termed a “penny-in-the-slot” tactic. One must put a penny in before any policy will pop out.

Mr. REID.—The Government were glad to fight under the white flag of truce during the elections.

Mr. DEAKIN.—We fought for the white flag of a white Australia.

Mr. REID.—We all fight for that.

Mr. DEAKIN.—My right honorable friend's allusion to the white flag is applicable to the Ministry, only because of the stainlessness of our policy.

Mr. REID.—There is not even a blot of ink upon it.

Mr. DEAKIN.—The difficulties of the situation are common to us both. When my right honorable friend was turning me pleasantly upon the gridiron, I thought of the comment of the Aztec prince to his complaining companion who was undergoing the same torture by the white conquerors of his country—"Am I, too, on a bed of roses?" I felt inclined to interject, when the right honorable gentleman was speaking—"Are you, too, on a bed of roses?"

Mr. REID.—No, I am not. I am waiting to be asked.

Mr. DEAKIN.—My right honorable friend has a large professional experience of cases in which thoughtless offers of alliances have been followed by disastrous pecuniary results to the gentlemen who have made them. He is an expert in such cases, and he knows that the present opportunity does not permit me to make a reply without prejudice. Under the circumstances, I must wait for such an occasion. The difficulty the Government have in making an offer is that we do not enjoy his position of vantage. We went to the country, and have been returned upon a programme from which, beyond the reasonable relaxations of practical expediency, a departure is not possible, and we can make an alliance only with those who share our programme. The right honorable member has not seen fit to disclose his programme, and until he does how can I know whether an offer can be honorably made or received?

Mr. REID.—The right honorable and learned gentleman must employ a broker.

Mr. DEAKIN.—I should not need to go far from my right honorable friend at the present time. Although I do not withdraw one word of the speech of mine to which he alluded, it appears to me that, bound as we are to our programme, the gradual emergence of the solution of the present situation from the active life of this House must be awaited as the only thing possible. We have put before honorable members a programme which is definite and long; but all the measures mentioned in the speech can be dealt with this session, with one or two exceptions, which are carefully indicated. We hope to deal, even in a short session, if the House is so minded, with practically the whole of those questions. In doing so, we must inevitably fall into voting alliances and oppositions which will indicate the principles by which we are moved. The formal alliance, when it comes about, must be absolutely open, and made in the

public eye. The speech of my right honorable friend was notable for many things, and eloquent in many parts, but most eloquent in its silences. When he spoke with a certain sympathy of the funeral obsequies of the Ministry, the apprehensions which I might otherwise have felt were calmed by the realization that he is wearing black crape upon his own arm in remembrance of obsequies far more important than those of a Ministry or party—the death and burial, during this Parliament, at all events, of the fiscal issue.

Mr. REID.—I recognise that that is the verdict of the constituencies.

Mr. DEAKIN.—That admission disarms me at once. The omission from the Governor-General's speech of a reference to fiscal peace is due simply to the lack of necessity for it, either as a mere statement of fact or as the glorification of success. The fact stands out boldly before the eyes of the thoughtful, because it marks a very important stage on the journey we have been travelling. We inherited the fiscal issue from the States, and in a federation of a group of States, with differing policies, it had to be fought out; it could not be avoided. It has been fought out to an issue in a form which is unsatisfactory to both sides. But, by the verdict of the public, the question has been deposed from its high place as the first article upon our programme, and laid aside altogether for this Parliament. Perhaps it has been disposed of in perpetuity, in the sense in which the fight has hitherto been waged.

Mr. JOSEPH COOK.—Then what is the meaning of the references in the speech to bounties and bonuses?

Mr. DEAKIN.—If we commence with the acceptance of the fact that the fiscal issue is dead, the way is open for dealing with the practical problems before us with a much freer hand than we have hitherto possessed. Up to the present, considerations foreign to these problems have weighed upon our minds, and have occasionally deflected our views in spite of ourselves. The fiscal issue being put aside, we are free to look these questions straight in the face. My right honorable friend was not without justification when he said that, in the opinion of those who agree with him, the proposals for what is termed preferential trade, which were before this country during the elections in an indefinite shape, seemed a contradiction of the protectionist policy adopted by those who sit on

this side of the chamber. That may easily be so, for this reason: the question is one which may be regarded apart from fiscal principles in their ordinary application. Replying to the interjection of the honorable member for Parramatta, in regard to bounties, it is common for those who term themselves free-traders to approve the granting of bounties and subsidies of one kind and another, or proposals going beyond the most favoured nation clauses providing discriminate treatment with other countries. Such proposals were made by the mother country in the treaty with France, and have been considered at other times.

Mr. REID.—They were quite different.

Mr. DEAKIN.—They were different; but they represent departures which to the minds of many free-traders were not justified. They were believed to impair the pure principles of free-trade. I do not agree, but I can understand the position of those who, like my right honorable friend, consider our present proposals inconsistent with the protectionist policy. To our minds they are the necessary outcome, and part and parcel of the principles of protection as we understand and have adopted them. I feel that it would be idle to reopen the fiscal controversy at this stage; but desire to draw a broader line of demarcation than that which is furnished by fiscal opinion, so that the causes from which our deepest differences spring may be realized. The term "free-trade" is an extremely effective battle cry. All sentiment is for freedom, and Britons at all events have always realized the value of trade. But the term "free-trade" has always been specious if not spurious in the mouths of many of those who adopted it. Their policy is not free-trade but free imports. The free-trader who is only a free importer, rejects the doctrines of protection now because he rejects the restriction of imports in England sixty years ago, undertaken in the interests of a class and by mediæval means, which unnecessarily interfered with commerce. But the rejection of the old system of what may be called class protection no longer applies when protection has been democratized, as we know it has in Australia, since it now takes into account the interests of all classes of the community, and aims at supporting them. As we claim to have developed the doctrine beyond the point at which it was formerly subject to criticism, we see in the revival of the discussion in

the mother country a recognition from the other side of the shield of the fact that the world has moved—that circumstances have changed for free importers also. The proposals now submitted are far from identical with the system of fifty or sixty years ago. Consequently, a fresh and open mind with new and free thought, independent of old fiscal theories, is needed to determine the bearing of the propositions lately submitted. To our school of thought the doctrine of free imports is essentially distasteful, because it means to us as to some of its most outspoken advocates in the text-books, a reduction of the conditions of life and labour to the irreducible minimum, an abolition of every other consideration than the power of the purse, coupled with a refusal to look beyond superficial cheapness to the causes from which that cheapness springs, and the disastrous results it often implies. The doctrine of free imports meant to us the absolute abandonment of all considerations except those which could be expressed in coin at the moment of purchase.

Mr. CONROY.—How does the Prime Minister explain the support given to free-trade principles by all the socialists of Europe?

Mr. DEAKIN.—I do not propose to explain it. At some other time I might be glad to discuss the question.

Mr. JOSEPH COOK.—The honorable gentleman is delivering a lecture.

Mr. DEAKIN.—I hope I am not straying even for a moment from the practical issue before us. I venture to contend that the original orthodoxy of the free-trade party has been rejected in connexion with nearly all recent industrial and social legislation passed in the mother country or here.

Mr. REID.—The Minister is entirely misrepresenting our view.

Mr. DEAKIN.—I am reviewing the original orthodoxy of the free-traders, and am not representing the views of the right honorable gentleman, which I take it, are necessarily in advance of those to which I am referring. If we look back to the old orthodoxy of free-traders, we shall find it as much at fault as the protectionist orthodoxy of that date. The advocates of both political creeds are more nearly approaching each other, because it is recognised that, so far from abandoning economic affairs, and trade and commerce, to the mere operation of what is called the "natural" law of supply and demand, it is necessary in connexion

with our social legislation, and our commercial and industrial organizations to exercise control over all public agencies in the best interests of the public. The old doctrine of "let alone" is dying with the circumstances to which it belonged, and is no longer possible. My honorable friends accept sanitary legislation, and accept legislation relating to public education, although at the time of the old orthodoxy such measures were regarded with as much disfavour as protection itself, as involving an equal interference with the sacred liberty of the subject. Advances of time and thought have brought an humane element into our legislation, and after that is coming a national element which is now beginning to express itself in connexion with our administration and legislation. I hope that my right honorable friend will forgive me for this little digression, which has been necessary to enable me to remind the House how out of the new circumstances of the twentieth century has grown the recognition of the fact that not only is legislation in connexion with trade and industry necessary to preserve the lives and safeguard the health of the workers, but that from a national point of view such measures are insufficient in themselves to safeguard us from the unfair competition of labourers in other lands who work under less satisfactory conditions. This is the reason that the proposals for preferential trade are being revived to-day in England, with every prospect, not only of their ultimate, but of their early, adoption in some form or other.

Mr. CONROY.—How does that statement accord with the results of the recent by-elections in England?

Mr. REID.—The advocates of preferential trade admit that they do not expect to win at the next election.

Mr. DEAKIN.—I agree with my right honorable friend, and am aware of the results of the recent by-elections, but I would ask can even the party managers in Great Britain say how much of the success which has been gained by the Opposition is due to the preferential trade proposals of the Government, and how much is attributable to the action of the Government on the education question, their war policy, or their attitude as to the Chinese in the Transvaal? It is impossible to accurately estimate the extent of the influences which have been at work.

Mr. REID.—That applies to every election.

Mr. DEAKIN.—I admit that; but if honorable members will look back at the utterances of the English newspapers which are opposed to the Government, they will see that prior to the introduction of the preferential trade question, great stress was laid upon the Education Act and the war exposures, until the Opposition expected to gain a majority in most constituencies without reference to any other question.

Mr. REID.—That is why the red herring has been drawn across the track.

Mr. DEAKIN.—That would support my argument, that if the measure of success which has attended the Government was due to their preferential trade proposals, the failures were attributable to other causes.

Mr. REID.—Hear, hear; that may well be. The other was the sharper tooth by which they were liable to be bitten.

Mr. DEAKIN.—The position I put is that the national issue has naturally come to the front. One of the best results of the recent fiscal discussion has been the re-affirmation of the old truth, taught by Adam Smith, but which seems to have been lost sight of by his disciples for many years, regarding the value of the home trade. Recent returns published in Great Britain show the effect of foreign competition upon the trade of that country, so far as it is reflected by imports and exports. These have driven back our opponents into their old entrenchments, which were ours for many years. It has made them recognise the value of the home trade. It has been shown that the total value of the import and export trade is but a fraction of the whole trade, for the reason laid down centuries ago that home trade combines production and consumption within a country, so that whatever profits may result, including that derived from transport, are within the country, and assist to build up the State. The aim of preferential trade throughout the Empire is to make the trade of the Empire a home trade, so far as our autonomous and other conditions will permit. The advantages of a greater home trade cannot be and are not disputed. The proposal for preferential trade has commended itself to the people of the mother country, because it appears to them to afford an opportunity to secure to the people of the Empire the profits of its trade transactions to a greater extent. Of course, natural conditions tend to bring about this result.

If there were no alliance between ourselves and the mother country, Great Britain would still be our best customer, because she has a dense population and is a large consumer of foodstuffs and raw materials. On the other hand, owing to the natural conditions under which we live, Great Britain would see in us a huge territory sparsely populated, with almost unlimited opportunities of producing foodstuffs, and at the same time requiring supplies of manufactured goods. These conditions would in themselves foster the deliberate policy which is now being brought forward in order that there may be a profitable internal exchange of that which we produce. We shall need to produce in much larger quantities in order to reap the full advantage of any reciprocal arrangement for English manufactures which we do not produce or attempt to produce.

Mr. REID.—Any article can be manufactured here at a price.

Mr. DEAKIN.—My right honorable friend's contention is that his action has always been friendly to the mother country, and not friendly to France and Germany.

Mr. REID.—No, fair to the mother country, and fair to all. I declare war against no one.

Mr. DEAKIN.—Exactly. My right honorable friend prefers to describe his attitude as fair to the mother country, and fair to all. It cannot be fair to her to keep her on the same footing as her rivals and possible enemies.

Mr. REID.—But my first object is to do what I think best for my own people. That is the basis of my creed; I believe it is good for my own people. If I thought that it was bad for them, I might be a protectionist.

Mr. DEAKIN.—My right honorable friend, when he was speaking this afternoon, did what he rarely does. I think he made a slight slip, or perhaps it was an intentional concession, when drawing a contrast between the policy of preferential trade and the policy of protection. He said that the policy of preferential trade was Imperial, whilst the policy of protection was Australian. That is precisely what we say. We say that the policy of protection is Australian, because it benefits Australia. But at the same time we hold that it is consistent with the study of the interests of Australia under protection to develop our policy along the lines of preferential trade. Preferential trade, as applied to the Empire, may mean protection, but whether

so or not it does not necessarily involve any sacrifice of our interests. It has been possible in times gone by for foreign nations to enter into commercial treaties with one another, and surely it is possible for us to enter into a treaty with the mother country, not only because natural conditions favour it, but because national sentiment encourages it. We could not, even though we wished, hide from ourselves the fact that our fortunes—in fact, our very existence—are bound up with those of the mother country, that we must stand or fall with the mother country, that we must rise or sink together. Hence it is to the interests of the mother country to strengthen as far as she possibly can, and to trade with, the countries under her own flag rather than to give support and encouragement to those countries which are not within the Empire. In this part of the world she finds the greatest purchasing power for her goods.

Mr. REID.—No thanks to us.

Mr. DEAKIN.—Even under all the tariff restrictions upon which my right honorable friend is so fond of dwelling, the fact remains that we are the best purchasers of the goods of Great Britain, and we know we can become still better customers. This consideration is the chief motive operating with the statesman who is at the head of this movement in Great Britain. Apart from this, he puts his case upon grounds which can be well defended, but in the forefront of his proposal he places first the closer commercial alliance which will be brought about between the mother country and her Colonies, who are her best customers. Is it not possible for those who sit in opposition to us upon the fiscal question to realize that in striking this national note we are sounding an entirely new chord?

Mr. REID.—Hear, hear; the Government are less protectionist than they were.

Mr. DEAKIN.—We are less protectionist in the same sense than my right honorable friend is less free-trade.

Mr. REID.—No, I am not.

Mr. DEAKIN.—In the words of the old French proverb, "we recoil a step in order that we may leap the further." Just as we were content to accept the risk of Federal union, under which protection might be to some extent impaired by the lowering of the duties, and, unfortunately, the duties have been lowered too much, so we are prepared to further expand our area of

supply throughout the Empire, so as to secure a larger field and better opportunities. We can advance step by step whenever we can gain more by making a concession than by remaining as we are.

Mr. REID.—The question is, will the Minister make a substantial reduction of the duties in order to achieve the glorious results which he has been picturing?

Mr. DEAKIN.—Speaking personally, I am perfectly prepared to do so.

Mr. REID.—That is a fair answer; but it involves a change of policy.

Mr. DEAKIN.—No

Mr. REID.—It will mean a reduction of the protectionist duties.

Mr. DEAKIN.—Our proposal will require fair consideration of the duties which are protectionist, of those which are not protectionist, and in fact of all imposts whose reduction will have a preferential effect. We shall have to consider how far we can spare the revenue that we now derive from such duties as it may be considered desirable to reduce, and we shall have to be satisfied as to the effect of any reductions upon the industries. As this is a matter of trade relations, it must, like every other similar transaction, be a matter of bargain. It does not follow, because the actuating impulse is sentimental, because the ends to be gained are national, and because we recognise their importance quite apart from their commercial aspect, that we should enter into a compact without considering the influence it would have upon our trade and commerce. I may say that, if we are spared sufficiently long, we shall not hesitate to make proposals which may involve sacrifices to this country. But we shall make no sacrifices without showing the country their full extent, and pointing out what we are to receive in return.

Mr. JOSEPH COOK.—That is eminently safe.

Mr. DEAKIN.—I should say it is eminently wise.

Mr. REID.—Is the Minister prepared to indorse the promise made by his predecessor in office, that he would give a preference to England without obtaining any concession in return?

Mr. DEAKIN.—That may be the outcome of the situation. The reason we have spoken with hesitancy, and why I refrained from making a precise pronouncement in this regard last session, was that a proposal, such as that mentioned, as a free gift on the Canadian plan, would

be very different in character from that I have in my mind as the result of a reciprocal trade bargain. The Canadian proposal itself, we have been informed by a leading statesman of that country, has been made in the expectation of a compensating recognition, which is now being looked for. It has even been stated, I think by a member of its Government—I am not sure whether the gentleman to whom I refer is now in Opposition—that unless some such consideration is forthcoming the Canadians will require to reconsider their position.

Mr. REID.—At the recent Conference of Premiers, Sir Wilfrid Laurier, whilst agreeing to make further concessions without bargaining, expressed the hope that the Imperial Government would reciprocate.

Mr. DEAKIN.—Even Sir Wilfrid Laurier expressed the hope that there would be reciprocity, and a late colleague of his went still further. Our position has been rendered one of extreme difficulty in this regard because we have had to wait to learn the attitude of the Imperial Government. The leader of the Opposition referred this afternoon to a declaration—an authoritative declaration—which was made a few days ago in London, and which was far more distinct than had previously been made by any member of the Government. I must confess that I read the statement with very great disappointment. I had anticipated that the present British Cabinet would propose some forward step before the next general elections took place. It was not until that utterance that we learned that the Government does not consider the country ripe at the present time for more than a discussion of the question. That necessarily alters our attitude—alters the position in which we find ourselves. But we have not remained idle. The Minister for Trade and Customs has for some time been engaged in preparing materials, some of which have been asked for by the honorable member for North Sydney.

Mr. REID.—He has published a pamphlet.

Mr. DEAKIN.—Yes, and a very admirable pamphlet it is. But, in addition to that, a close examination is being made of the whole circumstances connected with our British trade, and our foreign trade likely to be affected by proposals of this nature. The information which has been asked for by the honorable member for North Sydney constitutes an essential element in the

consideration of this question, but it is not the only element. Another element lies in the conditions under which all our exchanges are made. Consequently, a study of the Australian Tariff, and of the industries affected by that Tariff, will be necessary before any Government can be prepared to submit to this House proposals which must receive weighty examination before they are launched. The work will not take years; it may not take months.

Mr. CONROY.—Surely there was a preference given to the Colonies as far back as in 1846. The same argument was used then.

Mr. DEAKIN.—The proposal under this head was challenged during the recent elections here as involving an interference with the autonomous liberties of the Australian, Canadian, and South African self-governing communities. In my opinion it represents no intrusion, by a hair's breadth, upon those privileges. I take it that any proposal of this character would operate for a fixed term of years, and would relate to specific articles, and to a fixed extent. It would be a free Act of the several colonial Legislatures. Probably it would be of a rudimentary character in the first instance, and would require to be adjusted and extended as the result of further knowledge and experience. These proposals, so far as I can judge, will form but the commencement of a long and carefully developed policy which will link, as far as it is possible to do so, our commercial interests with those of the mother country, and the other great dependencies of the Empire, to our mutual benefit. It will, therefore, produce in the first instance an enhancement of the wealth of the Empire as a whole, and supply the sinews of war upon which it depends, but much more than that, it will multiply the multitudes of its population, who are settled under its own flag. It will increase the number of white citizens living under white conditions who are able to take their stand in the defence of the Empire.

Mr. REID.—Will it not link us with India, too?

Mr. DEAKIN.—It may do so to any extent to which we find it profitable to enter into commercial relations with Hindustan. We shall safeguard our interests in that matter as in any other. But this policy must have as its foundation the recognition of the fact that this Empire is British in authority and control. It cannot be all British in its population. It is British only fractionally. But the greater that fraction

is the more will the whole sway of the Empire be strengthened and enhanced.

Mr. HIGGINS.—Is this policy to be submitted to the present Parliament?

Mr. DEAKIN.—I hope so, but, as I have said, we must depend largely upon the nature of the proposals from, and upon the trend of affairs in, the mother country. When we entertained a more sanguine view of the action which would be taken by the Imperial Government, we were naturally more hopeful. Now that they are putting aside the subject for some months, if not for a longer period, we have necessarily to speak with more circumspection. At that time it appeared likely—and it is still possible—that their following in favour of preferential trade proposals will prove stronger than the Imperial Government has counted upon. I earnestly trust that it may. I have alluded to this question in order to enable honorable members to understand both the attitude of the Government in regard to it, and the difficulty of facing a constantly changing situation in the mother country—our other partner in any such arrangement. Necessarily, whatever arrangement may be entered into, must depend upon the response which is made by the mother country. It is only because of the fluctuations of opinion regarding the nearness of the success of this movement in England that we are so exceedingly cautious in dealing with it. Personally, I believe that when this issue is plainly placed before the country we shall find the leader of the Opposition, and a number of those who are now acting with him, thoroughly alive to the reasonable nature of the proposals submitted and to the magnificence of the end which they are intended to serve.

Mr. REID.—I consider all the objects good. The only point of difference is as to whether this is the best way of bringing about the desired result.

Mr. DEAKIN.—The last point upon which I have to touch in this relation is perhaps for us the most important of all, because we must recognise that if we were fortunate enough to obtain an advantage in the almost inexhaustible markets of the mother country, the increased consumption of our butter, fruit, and other products would prove of incalculable value to those who are settled upon the soil of Australia. In this connexion the leader of the Opposition asked rather captiously this afternoon, "What about the millions of acres which are open in Canada, and the supplies which can be poured in from there?" But

I would point out to him that our farmers are now successfully competing with the producers of Canada. I believe that with the advantage of our seasons, they will compete with them to even more advantage.

Mr. EWING.—Australia is a better country than Canada can ever be.

Mr. DEAKIN.—In regard to butter, fruit, and other products, we certainly possess an advantage, not only over Canada, but over the competing countries of Europe. It is because of their bearing upon the settlement of this country that these preferential trade proposals should commend themselves to this House. The right honorable member for East Sydney has referred to the fact that it might be deemed aristocratic exclusiveness if we aimed at securing the young sons of farmers who possess money. He declared that this class is limited in number. That is true, but the inquiries which I have made show that it is far larger than I had dared to suppose, and that a large proportion of those who are finding their way to Canada are taking money with them. And what we have to face is an even more serious condition than that. The subject is brought home to me by means of sheaves of correspondence, some of which, I must confess, furnishes me with a very painful surprise. I find, for instance, that one well-known citizen—I have not his permission to use his name—mentions that by one vessel bound for America last year there were 300 persons from Australia and Canada, most of whom were agriculturists. By another vessel he declares, upon the authority of the purser, 62 men of the agricultural class travelled thither, their capital averaging £125 each.

Mr. CONROY.—Then shame upon the Government policy.

Mr. DEAKIN.—They were proceeding to America from Australia. I have no information as to the districts from which they came.

Mr. REID.—When was this?

Mr. DEAKIN.—Last year.

Mr. WATSON.—Does your informant give the names of the ships so that the statements may be verified.

Mr. DEAKIN.—Yes.

Mr. WATSON.—Captain Pearse's statement in reference to persons leaving the Commonwealth for New Zealand has proved to be erroneous.

Mr. DEAKIN.—Yes. Here is another communication, received only this morning. A well-to-do farmer, in one of the

States, has written to a friend of mine, stating that his son is anxious to leave Australia for the Alberta district, and that he is a successful farmer with some capital. In considering this question of immigration, therefore, we have to consider a dual problem. Not only do the English and Canadian journals declare that the bulk of the immigrants reaching there are agriculturists, but they affirm that a large number of them are possessed of means. We are not only missing these immigrants, but we are absolutely losing some of our own people. In my opinion, the causes for which we are losing these farmers are not causes under the direct control of this Parliament. In addressing the Conference of State Treasurers a few days ago upon this question, whilst carefully avoiding any reference to State politics, I felt constrained to point out, that the beginning and end of this question rested with their legislation, that though it was not for me to describe what should be done, it was evident that settlement on the land, easy access to it, the opportunity to acquire homesteads in districts possessed of a certain rainfall, were inducements which would attract the class of immigrants to which I have referred. The agricultural labourer to whom I have referred, if he be a man of grit, energy, and industry, can in some of the States at least obtain land for nothing or next to nothing.

Mr. FISHER.—Where?

Mr. DEAKIN.—In Western Australia, for example. He can also secure financial assistance. This is something like the condition of affairs that should exist in every State of Australia. I felt the extreme difficulty of dealing with this question, because of its relation to State politics, and that is the one and only reason why I have been hampered in the proposal submitted then and submitted now.

Mr. REID.—But the honorable gentleman is not afraid of it; he believes in the proposal?

Mr. DEAKIN.—I believe that nothing is more essential. We must carry it out, and on behalf of the Government, I promised the States that if they would assist us in providing the necessary attractions to the soil, we would submit to this House with all strength—and, if necessary, stake our political existence upon them—proposals of a definite character to enable us to find suitable men and women to settle on the land.

Mr. REID.—The Government will find the Opposition backing them up in such proposals.

Mr. WATSON.—We are all of one opinion as to that.

Mr. DEAKIN.—I believe that when the matter is put forward we shall obtain practically the unanimous support of the public. What has driven me so to speak to the consideration of this proposition has been the discovery that other districts, even in Canada, now offering inducements for settlement, are necessarily more and more remote from civilization, demand greater and greater trials on the part of those who go out to them, call for a much larger expenditure in getting there than I thought possible, and offer many difficulties to the settlers when they reach them.

Mr. O'MALLEY.—Seven months of snow.

Mr. DEAKIN.—That is true of many parts of Canada. The people who are going out belong to a class who are willing to face these dangers and risks. If they are willing to face them there—if they are resolute enough and well furnished enough to do so—surely they would be willing to face the much lesser difficulties here, if the rich lands in the well-watered districts of the country were available for settlement? Consequently the proposals now re-submitted in regard to immigration have an influence outside the special sphere of our Constitution. I believe that if they be sufficiently discussed in this Parliament, and our attitude distinctly manifested, they will cause the electors of the Commonwealth, who are the electors of the States, to review their State legislation, and determine what it is possible to do.

Mr. SKENE.—They are doing so now.

Mr. DEAKIN.—I hope so. It is necessary that this subject should be put before them, in order that they may ask themselves the question why Australia is not as attractive as it should be. My right honorable friend, the leader of the Opposition, seemed to be of opinion that one of the great barriers to the influx of population was the introduction of the provision in the Immigration Restriction Act, with reference to contract labour.

Mr. O'MALLEY.—The six hatters.

Mr. DEAKIN.—Yes, I regret to say that—

Mr. REID.—It was an intimation to 40,000,000 of people in the United Kingdom that they were not wanted here.

Mr. DEAKIN.—I regret to say that my right honorable friend was perfectly correct in his statement that the representations, as he may call them—the misrepresentations, as I call them—in the case to which reference has been made, have done us incalculable damage at home.

Mr. REID.—Whoever is responsible for it, that is the fact.

Mr. DEAKIN.—It becomes my duty every week to rapidly look over cuttings from the British newspapers, and sometimes from the foreign press, in order to watch the current of opinion and I find the variety of forms of misunderstanding in regard to this incident almost incredible. Naturally, one is brought face to face with them.

Mr. REID.—The position would have been worse had the six hatters been sent back again.

Mr. DEAKIN.—The point to which I wish to come is this: that in spite of the misrepresentations that have taken place, I fail to see that we can point to any proof that the incident of the six hatters has affected to any degree the flow of immigration to this country. The cessation of the influx dates from the cessation of State-assisted immigration, which exists now in only one State of the Union. For more than ten years before this incident, immigration into Australia had practically ceased—long before Federation came into existence. We cannot possibly say that there has been a cessation due to any one particular piece of legislation, or even to the general set of our legislation, because, unfortunately, except in the form of assisted immigration, no influx into Australia since the gold-digging days has ever reached anything like the reasonable proportions we were entitled to expect. I think that the right honorable gentleman attaches far too much importance to the particular incidents to which he has referred, but recognise that we need the means of correcting the constant misrepresentations that are current in the mother country in regard to such matters.

Mr. HIGGINS.—Have any steps been taken to correct these misrepresentations?

Mr. DEAKIN.—I have from time to time supplied the Agents-General acting for the Commonwealth with a statement of the true facts, which they have sometimes communicated to the newspapers; but these corrections attract little attention, since the fixed idea exists that the legislation in question is in some way or other inimical to Englishmen. We require a High Commissioner in London.

Mr. REID.—It is an impression that six British artisans were kept on board ship, and not allowed to land for some time.

Mr. DEAKIN.—My right honorable friend's weakness in regard to this point is that he was a party to the passing of the Bill in which this provision exists, and that when he first called attention to it he made the statement that at the time of its passing he did not realize its full effect.

Mr. REID.—I was not in the House.

Mr. DEAKIN.—The right honorable gentleman tacitly accepted the provision in the Bill. Attention was called to it afterwards during his presence in the House, and he offered no objection.

Mr. REID.—I had no opportunity to consider it. I think that two of the objects of the Bill are good.

Mr. DEAKIN.—The right honorable gentleman made that statement on the first occasion; and he was at once invited to suggest an amendment which would secure the two good objects of which he approved, whilst excluding the application of what he disapproved.

Mr. REID.—If I make such a suggestion, will the Government take it up?

Mr. DEAKIN.—I promise to give it the fullest consideration.

Mr. REID.—That is something like the statement in regard to preferential trade.

Mr. DEAKIN.—If the suggestion is made, it will receive preferential consideration. Of course it would be necessary to consider it carefully in order to see that it would carry out what the right honorable gentleman sought to accomplish. In the present case the right honorable gentleman will find himself faced with this difficulty which confronts an administration, and will confront him when he sits on this side—the consideration how we are to deal with the tens and hundreds if we neglect to deal with the units. How are we to fix any number of admissibles? How are we to deal with the emergency cases? The failure of the right honorable gentleman to draft his amending clause was probably due to a consideration of the difficulty how some men may be allowed to come in, although not in bunches, or companies? How are we to determine the precise term during which they may not come in because of a strike or some other circumstances here, and yet do no injustice to people who may have been justified in leaving their homes, and accepting an agreement, only to find themselves on their way to Australia before receiving an

intimation that their landing had been made illegal.

Mr. REID.—There is a slight misunderstanding which, with my honorable and learned friend's permission, I should like to correct.

Mr. DEAKIN.—Certainly.

Mr. SPEAKER.—The right honorable gentleman cannot make an explanation until the Prime Minister has concluded his speech.

Mr. REID.—Very well, sir. I thank the Prime Minister for his courtesy.

Mr. DEAKIN.—When the right honorable member considers the position he will see that even his ingenuity will be taxed to discover any means by which the section in question can be modified without intrusting a very dangerous degree of latitude to certain officials, in order to accomplish the exclusion which he is willing to accomplish, and yet allow those whom he prefers to come in without objection.

Mr. G. B. EDWARDS.—The late Prime Minister said that the success of the Immigration Restriction Act would depend upon its administration.

Mr. DEAKIN.—Exactly. Then as a cognate subject I pass to the right honorable gentleman's remarks with reference to the provisions in the Post and Telegraph Act, forbidding the Postal Department to enter into contracts for the carriage of mails by steamers in which other than white labour is employed. On that point the right honorable member's memory has played him false. If he will refer to *Hansard* of 5th July, 1901, he will find, at page 2140, a statement showing that the prohibition against letting mail contracts to owners of ships carrying coloured crews was discussed in the Senate. He will also find that my then colleague, Senator O'Connor, stated distinctly that the policy of the Government was to absolutely exclude contracts of that kind; but that he objected on their behalf to the introduction of that policy in the Post and Telegraph Bill, which was then before the House, as it was only a machinery Bill, which should not deal with a question of that character. He gave various other practical grounds for his opposition to the proposal; but on the very first occasion that the question came before Parliament he announced the deliberate policy of the Government, as requiring the exclusion of coloured labour from mail steamers under contract to us. At page 2252 of *Hansard* for 1901, the right honorable member will find the division

list to which he alluded. It shows that the proposal was defeated in the Senate, after it had been debated with a good deal of warmth in that Chamber, discussed fully and anxiously in the press, and brought prominently before the attention of the whole public. It was on the 25th July, 1901, while the matter was still fresh in every one's recollection, that the honorable member for Bland moved the adjournment of the House in order to discuss the question of the employment of coloured labour on mail steamers. The late Prime Minister on that occasion repeated what Senator O'Connor had said in another place—that the policy of the Government meant the exclusion of coloured labour from these steamers. No sooner had he resumed his seat than the leader of the Opposition rose, and cordially indorsed what he had said, promising the support of a united House in regard to the proposal.

Mr. REID.—As a matter of negotiation—as an endeavour to carry it out. At that time, however, there was no Bill before us. There was simply a motion for the adjournment of the House, and, as I said, we all sympathized—

Mr. DEAKIN.—I think that my right honorable friend will see, first of all, that the action of his late colleague, the then Postmaster-General of New South Wales, at the Conference, meant much more than that; and secondly that the language used at various times in this House by the right honorable gentleman himself with reference to this subject meant much more. It meant that when he was in office, he looked forward to the application of this provision; that when he spoke in this House, he spoke with a full knowledge of the whole of the question, of its character, and of the intention of Parliament in regard to it. He spoke, therefore, with authority and knowledge.

Mr. REID.—To whom does the honorable and learned gentleman refer?

Mr. DEAKIN.—To the right honorable gentleman.

Mr. REID.—At that time there was no such proposal before the House.

Mr. DEAKIN.—It had only just been rejected by another place, after a declaration had been made similar to that repeated by the Prime Minister in this Chamber. Consequently full attention was fixed upon the question. When the right honorable gentleman made his statement, he knew that the proposal had been made and rejected, and that the Government was pledged to give effect to it, if not in the Post and Telegraph Bill, at all events in another measure.

Mr. REID.—It was not pledged to bring in a Bill to deal with the subject. Mr. Justice O'Connor said that it was impossible to apply such a principle to that clause, when speaking upon this very matter.

Mr. DEAKIN.—He was dealing with the machinery Bill.

Mr. REID.—He said that no law of the kind could be applied, that it was impossible to apply such a stipulation in an Act of Parliament.

Mr. DEAKIN.—He is reported on page 2141 of Volume II. of *Hansard* to have said—

I draw a clear line of distinction between laying it down as a matter of policy, the performance of which will be watched by Parliament, that wherever it is possible and practicable white men only shall be employed, and placing a mandate upon the Postmaster-General that he shall enter into no contract whatever for the carriage of mails unless there is this stipulation in it.

But he said—

The Government will be subject to the watchful eye of Parliament. What need is there, then, to tie the hands of the Government in such a way as this amendment proposes?

He continued—

The policy of the amendment—that is, the amendment excluding coloured labour—

as far as it can be applied, will be carried out—by the Government—

subject to the right of Parliament to interfere if it is not done.

He there gave a promise which, if it had not been embodied in legislation, would have bound the Government just as absolutely as they are now bound to take the course they have taken.

Mr. REID.—It would have bound the Government to do the best they could to enter into a contract with steam-ship owners employing white labour only, but not to break the undertaking entered into.

Mr. DEAKIN.—The undertaking entered into has not been broken. Mr. Justice O'Connor twice, and subsequently Mr. Justice Barton, asked Parliament to accept the assurance that effect would be given to the policy desired by honorable members, whether the clause was or was not inserted in the Bill. But the point which I have been leading up to is that my right honorable friend allowed this clause to be inserted by assenting without protest to the passing of the Bill. By doing that, he assented to the following provision, which is now a section of the Act:—

No contract or arrangement for the carriage of mails shall be entered into on behalf of the

Commonwealth unless it contains a condition that only white labour shall be employed in such carriage.

That provision is absolutely peremptory and mandatory. It contains no qualification, except that in the following sub-section in regard to coaling and loading beyond the limits of the Commonwealth. My right honorable friend, as a lawyer and politician, knew that that clause was contained in the Bill, and yet allowed the measure to pass without protest or objection. Indeed, he raised no objection to it, until a long time after the Act had become law. I do not in the least degree object to his revising his opinions and altering his judgments; but I think that he fully shared the responsibility for the action of Parliament in this matter.

Mr. REID.—I was only a sleeping partner.

Mr. DEAKIN.—Occasionally the right honorable member is a sleeping partner in what we do here; but he is at most times very wide awake and active. He has certainly not failed to cite everything that happened to the detriment of the Government. Yet for months my right honorable friend made no objection to the existence of the provision I have read, although he knew that it was in the Act.

Mr. JOSEPH COOK.—What are the Government doing in regard to the carriage of mails? Why is the matter treated as such a secret one?

Mr. DEAKIN.—I shall come to it in a moment. Why, too, should the leader of the Opposition object to the insertion in the New Hebrides mail service of the condition that the ships employed shall be manned entirely by white labour? Why should the fact that they trade to those islands compel us to subsidize vessels employing persons not of our own race, not even under the same flag, as ourselves? Nothing can be more reasonable than that the white people of this Commonwealth, who pay the subsidy, should prefer the employment of white men to carry on this communication.

Mr. REID.—I do not object to that; but I do not see why coloured people should not be allowed to take a berth in the stokehold if they are willing to do so. Personally I would not wish my worst enemy to be employed in such places.

Mr. DEAKIN.—I do not know that the difficulty of obtaining men to work in the stokehold can be regarded as answerable for any adverse results that may be supposed to have been obtained so far. I have investigated with the aid of the best

information procurable the effect of the condition in regard to the employment of white labour upon steam-ships employing white crews on deck and coloured crews below, and find that, generally speaking, twice as many coloured stokers are required to do the work which can be done by white stokers; so that, as they are paid about one-third the wages of white stokers, the saving made by employing them amounts to about one-third of the wages paid to stokers.

Mr. JOSEPH COOK.—The manager of the P. and O. Company distinctly stated that it was not cheaper to employ black labour.

Mr. DEAKIN.—I have heard that the employment of coloured labour as a whole upon shipboard is not cheaper than the employment of white labour; but the information supplied to me in regard to vessels employing both white and coloured labour is that I have just given honorable members, and tells more against my position than that to which the honorable member refers. It cannot be said that the stipulation in regard to the employment of white labour in the stokehold and elsewhere has had any effect upon the tenders for the carriage of mails, except in cases like that of the P. and O. Company, where both deck hands and the crew employed below are coloured men. In regard to other companies, the financial saving upon stokers is too trifling to have affected their tenders. It is well known that every German ship which comes here employs white labour only, and I believe German citizens only.

Mr. REID.—And cheap labour at that.

Mr. DEAKIN.—I have yet to learn that what is possible for Germans is not possible for Englishmen, and that what is possible to a German line of steamers is not possible to ship-owners who claim to be masters of the sea.

Mr. JOSEPH COOK.—Did the Government obtain a tender from the Orient Company?

Mr. DEAKIN.—That company did tender, but at an immensely increased price.

Mr. JOSEPH COOK.—How much higher than that of the other tenderers was the price asked by the Orient Company?

Mr. DEAKIN.—I do not know that unaccepted tenders should be laid upon the table of the House. What may be taken as a tender has since been received from another company. It, in its informal state, agrees to abide by the requirements imposed by the Act, and to give a service in the time and under the conditions required.

Mr. WATSON.—Were there any other conditions than those imposed by the Act?

Mr. JOSEPH COOK.—All the papers should be laid upon the table.

Mr. DEAKIN.—The laying of the papers upon the table is a matter which I leave to the Postmaster-General. There were only two peremptory conditions in the contract, one requiring the employment of white labour and the other the provision of up-to-date refrigerating machinery. The second requirement was somewhat vague in its terms, because no particular machinery was specified, but only that the provision for refrigerating must be adequate. As every first-class steamer now carries refrigerating machinery, I do not think that either of those conditions can have affected the sending in of tenders, except so far as the P. and O. Company was concerned. All other conditions were alternative. Steamship proprietors were asked to tender for the conveyance of freight at maximum prices, for the provision of cold storage, and better ventilation, and subject to other conditions, but they were allowed the alternative of tendering for a service complying with any or none of these conditions.

Mr. WATSON.—Was it specified that the Suez route should be followed?

Mr. DEAKIN.—Tenders *via* the Suez route were asked for, but as an alternative contractors could tender for conveyance by a route from any port in Australia to any port in Great Britain. We have two tenders in addition to one which we consider far too high. One of these we could not accept because of its generality, and in regard to the other we are awaiting details which are to arrive. It is in the hope that we may have an opportunity to consider how far a tender for a mail service can be combined with a tender for an effective refrigerating service. We require the employment of white labour, and two tenders accepting that condition have been sent in. It is in order to ascertain what can be done in the way of providing a refrigerating service that we have hesitated before definitely advising the House on the matter.

Mr. GROOM.—Did the last tender include Brisbane as a port of call?

Mr. DEAKIN.—Brisbane was not named. The right honorable member for East Sydney did not allude to the administration of the Immigration Restriction Act in regard to coloured aliens, and therefore I do not feel called upon to deal with the matter at length, but as the administration of the

measure, so far as coloured aliens are concerned, is being daily challenged in the press by those who ignore the express conditions under which the Act assumed its present form, it seems necessary to say a few words upon the subject. When the Immigration Restriction Bill was before the House, an amendment was moved by the honorable member for Bland making the exclusion of all coloured persons absolute, without any option, and without the application of a test. The Government, for Imperial and diplomatic reasons which were fully explained at the time, appealed to honorable members to substitute an educational test for absolute exclusion in so many words, and undertook to apply that test in such a manner as to give practical effect to the wish for the exclusion of coloured aliens. The provision in the Act was inserted, not to test the education of those who presented themselves for admission to the country, but as a means of bringing about the practical exclusion of all coloured aliens. The Government of the day undertook that the test would be so applied, and the Act has ever since been administered, not in obedience to its letter, but to the spirit of the undertaking given. It is perfectly idle for our opponents in the press to challenge our action on this matter, and to object that men are being examined in languages other than their own, since the test was intended to be applied in such a manner as to exclude coloured aliens. No secret was made of that intention by Parliament, and the test would not have been provided in the measure if it had not been believed by honorable members that it would be so applied. The Government take the full responsibility of applying it as it has been applied. We gave a pledge to do so, and I have yet to learn that the intention of a statute, in regard to this or any other matter, should be defeated by its administration. If there is to be an alteration of the law in respect to mail contracts or the immigration of aliens, it should be set forth in plain terms, and resolved upon by Parliament after full discussion. It is true that the education test may be, and in some cases has been, applied to persons who, reading the Act in their own country, took it to mean that what was intended was to obtain a proof of education, but no one in authority in this country can pretend to think that this was the intention of the framers of the Act. The press are without justification for holding up to ridicule the application of the education test, which has been utilized

just as was promised when it was placed in the Bill, and which will continue to be so employed.

MR. REID.—Has it not been applied to any white persons?

MR. DEAKIN.—Not that I am aware of.

AN HONORABLE MEMBER.—What about Stelling?

MR. WATSON.—Stelling was a thief, and was prohibited under another part of the section.

MR. DEAKIN.—If the honorable member will pardon me, the offence for which Stelling was found guilty would not come within the terms of the sub-section to which the honorable member doubtless refers.

MR. WATSON.—Stelling was a thief, at all events.

MR. DEAKIN.—As the case is now *sub judice*, I prefer not to discuss it. So far as I know no white man has been excluded by means of the application of the education test, nor has the test been applied to white persons, except by accident in the early stages of the administration of the Act. The test is being deliberately applied to give effect to the understanding entered into at the time it was passed, that it should be used for the purpose of securing the absolute exclusion of coloured aliens.

MR. G. B. EDWARDS.—Was not the provision inserted as a sort of diplomatic compromise to meet possible objections on the part of the Imperial authorities?

MR. DEAKIN.—Yes, to the extent that my predecessor in office received an assurance when in England that an Act containing a provision similar to that adopted would be assented to, whereas an Act of another character might require the gravest consideration.

AN HONORABLE MEMBER.—Who gave that assurance?

MR. DEAKIN.—So far as I can remember, it was given by Mr. Chamberlain when he was addressing the Premiers' Conference in London in 1897. Now I wish to touch upon a question with which my right honorable friend has dealt at great length. There is no occasion to dispute the fact that there were circumstances in connexion with the recent elections which all of us must regret. For my own part, however, I think that during the progress of the Bill through the House, and certainly afterwards, I pointed out that the measure was to a large extent experimental. It was in the main drafted upon the lines of the

South Australian and Western Australian Acts; but it also contained provisions derived from the statute-books of other States. Therefore, in its entirety the Electoral Act became quite a new measure in its application to every State. In the next place, from motives of economy, and also with the idea of obtaining independent service, the administration of the Act was intrusted largely to public servants, who had not been previously charged with a similar duty. There were obvious advantages attached to the adoption of this course; but practical experience showed that there were many drawbacks. I admit that the whole matter requires serious consideration, and we shall be prepared to submit proposals dealing with it. We had to deal with an area as great as any in the habitable globe over which an election of this kind has extended, and to carry out the provisions of an entirely new Act. Although in the main the Act was drafted upon State lines, it differed in technical details from all the Acts with which the State officials were familiar, and was, therefore, novel to them. Any one who has realized the extent to which practice becomes second nature with many men will understand the extraordinary difficulties with which the administration of the Act was surrounded. I say, with confidence, that if the Chief Electoral Officer had been a political archangel, and most of his assistants had been similarly qualified, it would still have been absolutely impossible for him to administer the Act without complaint. I was in a state of apprehension during the whole of the elections that the Act would break down in some serious way, and, considering the haste with which the rolls had to be prepared, and other arrangements made, I regard the results as simply marvellous.

AN HONORABLE MEMBER.—Whose fault was it that everything had to be done in a hurry?

MR. DEAKIN.—It was nobody's fault. The haste was caused by the time at which the election had to be held.

MR. POYNTON.—Six months were wasted during the previous recess before the appointment of the Commissioners.

MR. DEAKIN.—That is an easy thing to say, but difficult to prove. During the whole of the period mentioned the officers of the Electoral Department were engaged in making their preparations. The materials were not ready for the Commissioners, and it could easily be shown that even when the Commissioners were appointed the information

available for their guidance was very imperfect. I might deal with this matter at much greater length, but think that the mere statement of the difficulties that had to be surmounted is a sufficient answer to the criticisms which have been directed to the administration of the Act. Taking into account the herculean nature of the task to be performed, I think the results were remarkable. Although, no doubt, there were causes of justifiable complaint, the work was performed in an effective manner.

Mr. REID.—Do the Government intend to allow the present state of affairs to continue?

Mr. DEAKIN.—No, that would be impossible. My only object now is to show how much we were all in the dark with regard to the circumstances relating to the distribution of population. I find, on referring to the statements made by my right honorable friend, in the House and on the public platform, that in contrasting the country and city constituencies, he greatly under-estimated the population in the former group of electorates.

Mr. REID.—And also in the city.

Mr. DEAKIN.—We erred there. For instance, the right honorable gentleman's estimates in regard to the Barrier electorate ranged from 10,000 to 15,000. The actual number of electors in that constituency was 19,000. The right honorable gentleman's estimate for Bland was about 11,000, whereas the actual figures were 20,861. For the Darling, the right honorable member's figures ranged from 8,000 to 12,000, whereas the actual figures were 15,268. His estimate for the Gwydir was 11,000, and the actual return showed 22,366. For the Hume he estimated 10,000, whereas 22,000 electors are shown to be in that electorate. There are similar discrepancies in other cases.

Mr. REID.—The women voters were not included in my figures.

Mr. DEAKIN.—Yes. These figures are given as including both male and female voters.

Mr. REID.—I procured my figures from the electoral officer. At that time only the male electors were on the roll.

Mr. DEAKIN.—I do not understand that, because at the very same time the honorable gentleman gave an estimate for New England, amounting to 23,000, whereas the actual returns give an aggregate of 26,759. All those electors could not possibly be males.

Mr. REID.—Only male electors were referred to in the case of Darling.

Mr. SPEAKER.—Order! I must point out that these interruptions make it quite impossible for the Prime Minister to proceed. I therefore ask honorable members to refrain from interjecting.

Mr. DEAKIN.—All these figures belong to the same series, but I am far from saying that they are free from mistakes. My right honorable friend estimated that there were 17,000 electors in Richmond, whereas the actual return showed a total of 19,000. All those could not be males.

Mr. REID.—I was comparing figures extending over a period of ten years, and I could only do that by quoting the number of male electors.

Mr. DEAKIN.—The figures could not possibly refer to males, because the right honorable gentleman said that there were 32,000 electors in West Sydney, whereas the Commonwealth enrolment brings out the number as only 25,000. My object is to show how at the time referred to we were all dependent upon mere estimates as to the numbers of electors in the various constituencies. On 3rd September my honorable colleague, the Minister for Trade and Customs, said—

In the Darling electorate honorable members opposite were prepared to accept 18,386 electors; to-day the number of electors stands at 15,000.

The returns show that in the Darling there are 15,268 electors, or a few in excess of the figures quoted by my honorable colleague.

Mr. REID.—My figures for the Darling were derived from Mr. Houston.

Mr. DEAKIN.—I also have Mr. Houston's figures, and I find that he was almost as much in the dark. I admit that the existing discrepancies cannot be allowed to continue, but what I wish to show is that the estimates made were unreliable. Mr. Houston proposed new divisions which were to contain a specified number of electors. His alterations of the electoral districts were to bring about that result. There were to be 18,000 electors in the Darling. As a matter of fact, the rolls show 15,268 votes, in the old district, and that is the greatest shortage that occurs. In the new Riverina he said there ought to be 18,862 electors, whereas the actual enrolment in the old Riverina district, without any alteration in the boundaries, represents 18,163 electors. The larger Werriwa was intended to have 18,851 electors, whereas the actual number in the old constituency is 21,066. In the

Hume he said there ought to be 18,512 electors, whilst the returns show that there are actually 22,219 voters in the present constituency. The figures which honorable members opposite fought for, and which the Commissioner proposed as fair, have in every case except that of the Darling been exceeded in the old divisions without any alteration of boundaries. That is what we contended would happen. My right honorable friend has argued, as he was quite entitled to do at this stage, from the proved facts; but on a former occasion he argued not from proved facts, but from estimates that were more or less official. He was fully justified in using the Commissioner's figures; which we challenged as altogether insufficient for the country districts. That challenge has been justified by the facts. When the Commissioner set aside the existing divisions and created larger ones, he put down for his larger electorates smaller numbers than have actually been recorded in the old districts without any enlargement. The results have fully borne out our contention at the time that he was wrong. I find that Mr. Houston proposed 18,449 electors for the new Canobolas, whereas the actual number in the old was 20,250; for the new Gwydir he proposed 19,983, whereas the actual number was already 22,360. In the new Eden-Monaro he required 19,913 as against an actual return of 22,320. In Cowper his scheme provided for 21,664 electors, whereas the actual enrolment shows 25,568 in the old district. In the old Hunter there are 26,962 electors as compared with Mr. Houston's estimate of 23,705.

Mr. SYDNEY SMITH.—Give us some of the figures for the city electorates.

Mr. DEAKIN.—Those tell the same tale, so far as to show that we were thoroughly justified in challenging the estimates of the Commissioner.

Mr. SYDNEY SMITH.—The right honorable gentleman would justify anything after that.

Mr. DEAKIN.—We considered that the Commissioner's estimates in regard to these country districts were insufficient, and the facts which I have quoted prove that they were. It is perfectly true that the number of electors in the city districts was also very much in excess of Mr. Houston's estimate, and the figures which have been cited by the leader of the Opposition are correct. It is equally true that such a condition of things cannot be permitted to continue. But, knowing that

the population was far above what was alleged, we argued that it must have come from the cities. Instead of that being the case, although there was some efflux of population from the cities, the metropolitan constituencies still remained far above their proportion. Honorable members opposite were right in their statements regarding the city constituencies, but were wrong in the case of the country electorates; whereas we were wrong as regards the metropolitan districts, and right as to the country divisions. There remain only one or two other topics to which I intend to allude in a single sentence, because they will come up for discussion at a later stage.

Mr. THOMSON.—What about the Federal Capital?

Mr. DEAKIN.—That matter is dealt with in His Excellency's speech by the statement that a settlement of the question ought to be arrived at early—a statement with which I absolutely agree. The surveys are already in progress—

Mr. SYDNEY SMITH.—Why not give Lyndhurst a chance, as the Prime Minister promised to do?

Mr. DEAKIN.—The honorable member for Macquarie knows that I did not make any such promise. He is also aware that a survey of Lyndhurst would not assist its chances one iota, because the elevation of the country is even. If it were intended to establish the Federal Capital there, it might just as well be planted in one part of that district as in another. No survey is necessary to determine which would constitute the more eligible site so far as Lyndhurst is concerned. But at Tumut and Bombala there are several conflicting sites. Surveys are absolutely necessary there, and Lyndhurst does not suffer by reason of no survey being made.

Mr. SYDNEY SMITH.—I only ask for fair play.

Mr. REID.—How long will the survey of these sites occupy?

Mr. DEAKIN.—No longer than the New South Wales officials require. In regard to the question of old-age pensions, the leader of the Opposition has misunderstood the full intent of the paragraph referring to it in the vice-regal speech. That paragraph points to the adoption of a uniform system of old-age pensions as one of the principal objects which must be kept in view by every Federal Government. The subject is one peculiarly adapted for Federal action, much more than it can ever be for State action.

The right honorable member is aware that two of the States have already adopted a system of old-age pensions, and it is quite possible for those States to transfer, and for the other States to agree to transfer, a portion of the Customs revenue which they are entitled to receive from the Federal Treasurer to the Commonwealth, so as to bring about uniform administration either at once or gradually. It is true that we cannot entertain any proposal to undertake a national system of old-age pensions whilst we are compelled to return to the different States three-fourths of the total Customs revenue. But the States Treasurers will soon have under consideration a proposal relating to the distribution of that three-fourths of the Customs revenue.

Mr. REID.—During the past three years have the Government taken any steps towards establishing a national system of old-age pensions?

Mr. DEAKIN.—We have taken the first steps preliminary to the transfer to the Commonwealth of industrial and other matters without any success; but it was not until the great scheme for dealing with the whole of the States debts and with the three-fourths of the Customs revenue was under consideration that it was possible to make a thorough and comprehensive proposal in regard to old-age pensions without facing extra taxation.

Mr. REID.—During the past few years has the Prime Minister ever asked the States Governments to do what he suggests?

Mr. DEAKIN.—We have not asked them yet; it has not been possible to do so. The right honorable member speaks of the past three years, but I would point out to him that the Tariff has been in operation for only two years, and its normal receipts are only now being determined. If we are fortunate enough to get a comprehensive agreement between the Commonwealth and States on these subjects, it will be possible to at once cut the Gordian knot, and that without imposing any additional burden upon the States. When honorable members read the report of the Treasurers' Conference they will notice that in the memorandum which was laid before that gathering by the Federal Treasurer he alluded specifically to the question of old-age pensions as one ripening for consideration.

Mr. FISHER.—Will the Government wait until the consent of the States has been secured?

Mr. DEAKIN.—We cannot do anything without their consent.

Mr. FISHER.—We can legislate directly.

Mr. DEAKIN.—Yes; but only by imposing direct taxation.

Mr. FISHER.—I am in favour of that.

Mr. DEAKIN.—That would involve a revolution in the finances of the States. Concerning the Conciliation and Arbitration Bill, I still entertain a doubt as to the constitutionality of the amendment which was submitted last session. I will not go so far as to say absolutely that it is unconstitutional, but entertain as great a doubt upon the matter now as I did previously.

Mr. REID.—The Prime Minister's objections to it are lessening.

Mr. DEAKIN.—No, they are increasing.

Mr. CROUCH.—Who will take charge of the Bill?

Mr. DEAKIN.—I shall. Regarding the transcontinental railway, upon which my right honorable friend indulged in some jest, I merely wish to say that I have never altered the opinion expressed in my Ballarat speech at the beginning of the campaign. There was no need to alter it. There has been no change in my attitude upon this question during the past two or three years. Then the leader of the Opposition might have asked whether the proposed Navigation Bill will penalize British shipping. He made no inquiry, but went so far as to utter a denunciation which he will find very hard to justify when he sees the measure in print in a few days. The Bill will be introduced as the first measure in another place, because we recognise its relation to the Conciliation and Arbitration Bill, and desire honorable members to see how far they interlace. Moreover, both are remnants of the last session. I saw by the press to-day that these are to be the first measures introduced as a concession to the Labour Party. Instead of that being so, I distinctly stated in the Ballarat speech that they would be the first Bills submitted. Moreover, I announced the concession—if it were a concession—when the Bill was under consideration in this House last year. It was part of a definite policy, and is not due to the elections or to anything which has occurred since. May I ask in conclusion—and I must apologise to the House for the length at which I have detained honorable members—that I have necessarily not enjoyed the free hand which the leader of the Opposition was perfectly justified in exercising. He chose where he would cut and come at the Government, and it became my duty, to

the best of my ability, to follow him in reply. But what I regard as the most hopeful sign of the situation is the admission which he has since made by way of interjection, that he recognises, so far as this Parliament is concerned, that the fiscal issue has departed. It leaves a great space free.

Mr. JOSEPH COOK.—He did not say that?

Mr. REID.—I said that we could enjoy an armed truce. If the Government are prepared to shut up their armoury, we will observe the truce which the people have decreed.

Mr. DEAKIN.—There will be no difficulty in observing that, because, with the exception of the Iron Bounty Bill, which is a remanet from last session, there will be no attempt made that can be termed even by critics an interference with the fiscal peace, upon which we went to the country.

Mr. JOSEPH COOK.—What the Government cannot accomplish by means of a duty they wish to secure by means of a bounty.

Mr. DEAKIN.—The Iron Bounty Bill does not involve a fiscal question. The disposal of the Tariff affords us an opportunity which we have never yet enjoyed in this House, of getting out of the old party ruts. There were many passages in the speech of my right honorable friend to which I listened with extreme satisfaction, because they exhibited a tendency on his part to endeavour to view some matters in a different light, particularly those questions which are being forced upon Australia to-day. They must present themselves at once to every man who looks at the map of Australia, or reads a handbook upon it. What are they? It must occur to him, that this great territory under the British flag lies unoccupied, unsettled, and unproductive. Why does a white Australia, except as regards a narrow fringe around its coastal area, remain a name? Why is its territory not being utilized to the fullest extent? We are proving that there is scarcely any part of this continent in which white men cannot thrive. The leader of the Opposition was wrong in alluding to cotton as "the coloured man's crop." In Queensland to-day there is an English cotton manufacturer's agent who is making inquiries from the farmers who have grown cotton there before.

Mr. REID.—The experiment has been tried several times in Australia, and has proved an utter failure.

Mr. DEAKIN.—It was a conspicuous success as to the quality of the cotton, which

was only driven out of the market by the low-priced competition to which it was then subjected, a result which, I understand from the presence of this agent amongst us, is not feared in the future.

Mr. GROOM.—It will be grown again by white labour.

Mr. DEAKIN.—Many of our great possibilities are undoubtedly associated with tropical districts, but not all of them. We have immense resources in the well watered and cool districts of Australia, where we have great areas of land capable of sustaining a population. During the recent short visit which I paid to New South Wales, the sight of the New England country and the Darling Downs, which were more familiar to me, was a revelation of the possibilities of closer settlement in the North. Those same opportunities exist to-day in Victoria. They are to be found all over Australia. It seems to me that we cannot be blind to great physical facts. We cannot be blind to the emptiness of this continent with boundless possibilities of production and a bare handful of white men settled upon it. In these circumstances I turn with eagerness to every quarter of the horizon which offers any opportunity for the increase of our production, and the multiplication of our white population. I see the densely peopled British Isles dependent upon food supplies from over sea—supplies which in time of war or unfriendliness on the part of other nations might be cut off, but which it is possible to grow on British lands tilled by British hands, in this quarter of the globe. Here are overmastering opportunities for development dwarfing all else. They afford us an opportunity to rise out of the old rut of party politics, and, while continuing to discharge to the full the programme which we are sent here to accomplish in the way of practical legislation—for that burden of responsibility rests upon us and is not to be put off by any new care—we have yet to recognise that each and all of these proposals must be extremely limited in extent, while they operate on an insignificant portion of the continent, and a handful of population. The natural advantages, which we control, should be enjoyed by hundreds of thousands more. I am not painting word pictures. I have been for the last few months studying this question, by means of correspondence, reading, and inquiry, and find that the exodus from the mother country now proceeding, is, in the main, of a most desirable class.

Many of the men are well trained, and have the means to open up virgin areas. I think my right honorable friend erred when he said it was the prospect of the investment of capital that brought our fathers to these shores. My own father came here with little more than his energy, and thrived at first by the labour of his hands. He sought his fortune in gold-digging, and in pioneering—a representative of the thousands who made this country, not by the capital which they brought in their pockets, but by their courage and resourcefulness. All that they did can be done to-day. I fail to see why, in these circumstances, we should not at least make ourselves better known. It is all very well for those who are opposed to our proposals to say that some of our legislation repels capitalists. I daresay it repels some classes, but Australia would be infinitely attractive to other classes if they understood the possibilities of freedom, equality, and prosperity to be found here. Once they understood our possibilities we would no longer need a loadstone. The main consideration to ourselves, not to be overlooked, is the economic situation before us. That calls for open lands and busy hands. We do not refer specially to mining in the Governor-General's speech, because mining, when it succeeds, is in itself a magnet, while the mining, like the land laws, are in the hands of the States. Our gold, and our fertile lands are the talismans that have attracted people to our shores in the past and will continue to attract them. The more we can fix eyes in this country, and out of it, on these magnificent resources which we talk about so much and realize so little, the better we shall be, both at home and abroad—

How small, of all that human hearts endure,
That part which laws or kings can cause or cure.

We do far more now than Goldsmith thought possible, by means of legislation, but while we still realize that politics relate only to the practical, the temporary and the expedient, we also realize that nevertheless our laws touch the homes and the lives of the masses, enter into the cottage of the workman, and reach the far-off fields of the selector, affecting for good or ill the development of the generation which is now arising amongst us. The conditions under which that generation grows up, and under which our people will live, the conditions of health and of education, of comfort and toil thus artificially established, play a great and

increasing part in moulding them and their character; and this character is, after all, the best, the most real resource upon which Australia depends.

Mr. DUGALD THOMSON (North Sydney).—I must, at the outset, compliment the Prime Minister, not only upon his eloquence, but on the conciliatory character of the speech which he has just delivered, and the fulness with which he has dealt with the questions that have arisen during the debate. In rising, after two such speeches as those to which we have just listened, I feel that I am placed at a disadvantage, but I can only inform the House that I shall endeavour to be as brief as possible, and direct my attention to a reply to the arguments submitted by the Prime Minister. The honorable and learned gentleman has expressed satisfaction with the condition in which his party has returned from the elections.

Mr. DEAKIN.—A modified satisfaction.

Mr. DUGALD THOMSON.—I can hardly accept that assurance of satisfaction, although I can join with the honorable and learned member in regretting that we have lost so many whom, regardless of the side on which they sat, we had learned to recognise as most valuable members, acting, to the best of their lights, in the interests of the country. The honorable and learned member has twitted the leader of the Opposition with having nothing but a negative policy to pit against the policy of the Ministry. In reply, I would ask the Prime Minister what is his but a negative policy? What was the policy which he submitted to the people at the last elections? It was simply a re-hash of the policy submitted three years ago, the only additions being those to which he attached the greatest importance when addressing the people of the Commonwealth—a proposal for the abandonment of the fiscal struggle, and the substitution of a fiscal peace—an entirely negative proposal—and preferential trade. He has yet to define his proposals in regard to preferential trade. This he has never attempted, as he should have done, having regard to the promise made by the late Prime Minister to Mr. Chamberlain, to assist in bringing about preferential trade; and to-day, if one asks him what is the policy of the Government in that respect, he receives the reply, "It will depend upon the British Government." What is that but a mere negation? A negative policy put forward by a Prime Minister is to be far more deprecated than is the naturally negative

policy that must be adopted by a leader of an Opposition. Then the honorable and learned gentleman stated that the leader of the Opposition had declared that the tariff question was dead. No such statement has been made. The assertion of the leader of the Opposition was not that the question is dead, but that, recognising the number of honorable members willing to re-open it was not large enough to enable that to be done, he would for the time being bow to the decision of the people. The tariff question is not dead.

Mr. REID.—The Government themselves did not bury it. They cried a truce for the time being.

Mr. DUGALD THOMSON.—The tariff question is a live one so far as the Opposition are concerned, and it will be fought out by them in the country. When there is a sufficient majority—as we free-traders hope there soon will be—to reverse the present policy, which we believe to be to the distinct injury of the Commonwealth, the question will be revived within the walls of this chamber. The Prime Minister declared further that it was recognised in British political circles, and indeed throughout the world, that the old position of fifty years ago should be re-considered—that the protection proposed to-day is not the protection of half-a-century ago. That is a strange statement to make, because the very arguments which are being used to-day in the great campaign now proceeding in England—the arguments as to benefits to the people to be derived from protection, the increased wages, the exclusion of the foreigner, the injury done to British manufactures by free importations, and the decay which will surely follow the freedom of our ports—were used fifty years ago. They were then industriously used in support of that very system of protection which the honorable and learned gentleman declares to be different from the protection of to-day. Where is the difference? The Prime Minister further stated that the competition which the British workman had to suffer, and his consequent degradation, required a remodelling of the fiscal faith. Will he tell me that the degradation of the working classes of Great Britain and the lowering of their wages, followed the adoption by Great Britain of the policy of free-trade half-a-century ago? Has not the movement of the British workman been upward ever since that time? Is he not to-day in receipt of better wages and working under more

comfortable surroundings than those of the workmen in the Continental countries of Europe which have adopted the policy of protection which the Prime Minister advocates?

Mr. DEAKIN.—Is that the only respect in which those countries differ from Great Britain?

Mr. DUGALD THOMSON.—Certainly not. I do not think that the prosperity of any country is entirely due to its fiscal policy; but when honorable members declare that the policy which recognises free-trade as its guiding principle will injure the country that adopts it, and must do injury to the workmen of that country, they apparently forget that the history of Great Britain offers a sufficient answer to such an assertion. The next question to which I shall briefly allude is the question of preferential trade, to which the Prime Minister referred somewhat fully. I quite admit with him that the interests of the Empire are bound up with the question. That being so, it becomes us, as a portion of the Empire, and desiring its welfare, to consider the question, not merely in the light of our own narrow interests, but from the broader stand-point of the interests of the Empire as a whole. I am not going to enter completely into the question to-night, because the Prime Minister has not put before us a proposal sufficiently definite to enable us to discuss the matter fully. But if we remember that the interests of the Empire are bound up in this decision, we must come to the conclusion that, even if we gained a slight temporary advantage by any arrangement, we should not agree to it if its adoption would injure the great Empire at its heart. The fact stated by the Prime Minister that the matter is to be with this Government a question of bargaining shows the danger to the unity of the Empire. If at some future time this Parliament is engaged in discussing Tariff proposals, and a majority of honorable members are in favour of a certain policy, what will follow, supposing that others elsewhere are bargainers equally interested with ourselves? We shall receive a communication from the British Government, intimating that they cannot allow us to carry out the intended policy, or that if we do, they will have to deprive us of certain advantages which they are then giving to us.

Mr. EWING.—If there is anything in that argument, why do not the States threaten the Commonwealth Government?

Mr. DUGALD THOMSON.—The fiscal question is removed from their hands, and has been left in our hands. But if the suggestions of the Government are adopted, it will be not in our hands alone, but in the hands of New Zealand, Canada, Great Britain, India, and Natal.

Mr. BROWN.—It will be an Empire question.

Mr. DUGALD THOMSON.—Yes, subject to suggestions and objections from every part of the Empire. Do not Victorian representatives remember the state of excitement, and almost of rebellion, which existed at one time in Victoria in consequence of the interference of Downing-street, as it was called? Is the gentleman who subsequently became Mr. Justice Higinbotham forgotten? Have his diatribes against the British Crown passed from the memory of honorable members? Is the public agitation which followed and existed for years forgotten? Is it not a fact that the present loyalty of Australia, which our past has never equalled, is due to the noble recognition of the British Government of the wisdom of leaving the sons of Great Britain in this land to work out their destiny without interference. I am one of those who will agree to much to obtain the closer union of the various parts of the Empire, if that can be brought about. But I tremble when I recognise the questions which will arise in matters of taxation between different parts of the Empire if we adopt a policy such as that which has been outlined by Mr. Chamberlain. We must also remember that if we adopt it the anticipated results to British trade are not at all certain. Canada adopted it some years ago for the special purpose of giving Great Britain a larger proportion of the import trade of the Dominion, and our Prime Minister, in speeches made during the electoral campaign, said on several occasions that the result was that the trade between Great Britain and Canada had doubled. In making that statement he was guilty of an error or oversight—I will not accuse him of anything worse—similar to that which he made in quoting the electoral returns just now. Whilst the trade between Great Britain and Canada has doubled during the six or seven years in which that preference has been in existence, it is now less in proportion to the whole import trade of Canada than it was at the time the preference was first given. Whilst the imports of Great Britain have doubled, the whole

import trade of Canada has more than doubled.

Mr. DEAKIN.—If the honorable member will take the manufactured goods imported by Canada he will see how the British have gained. The imports from the United States are mainly raw material.

Mr. DUGALD THOMSON.—A great deal of the imports from the United States are special kinds of machinery. The percentage of the British trade to the whole import trade of Canada fell in the period of preference from 27.58 to 24.25 per cent., while that of the United States, the very country aimed at, increased from 53.48 to 58.40, and the exports from the United States to Canada were of much the same character six or seven years ago as they are now. It is a matter of grave consideration whether, if a preferential policy were adopted by us, it would achieve the results expected of it. It is very difficult to accept the sincerity of the Ministry upon this question. I have here an extract from a speech delivered by the Prime Minister during the recess in which he asks if any one of his hearers had a large family, and placed his sons about Australia not too far apart to be unable to communicate one with another, and one son grew wheat, another fruit, another wine, and another meat, what law, human or divine, forbade the interchange of their products and the recognition of the blood tie? If we could believe the honorable and learned member was sincere when he uttered that sentence, we might believe in the sincerity of the Ministry in regard to preferential trade. No divine law prohibits the exchange of products between brother and brother in Australia or any other part of the world. The divine intention seems rather to have been to make this interchange easy and cheap by placing the ocean as a highway between distant countries. The Prime Minister, however, when the States were divided before Federation, was utterly opposed to the free commercial intercourse. He deliberately set himself by human law against the policy of freedom, and the exchange of wheat, and fruit, and wine, and meat between brother and brother. Now, however, without renouncing the policy which he then advocated, he asks us to accept his assurance that the Government are in favour of a policy which will lead to a real freedom of exchange between the different parts of the Empire. If the Government are sincere why has nothing been done in the way of outlining a policy of preferential trade, and

getting the approval of the country to it? A magnificent opportunity was afforded during the late elections, but it was not availed of. The Premier of New Zealand, however, who, as the leader of the Opposition has stated, seems to be always in the lead—

Mr. CONROY.—It is an ignorant lead.

Mr. DUGALD THOMSON.—Possibly it is sometimes.

Mr. DEAKIN.—The honorable member's remarks remind me that I omitted to say that I did not address myself to the Transvaal question, because there is a motion on the business paper dealing with it.

Mr. DUGALD THOMSON.—I am not referring to the Transvaal question. I am merely pointing out that the Premier of New Zealand has acted in accordance with the promise made by him regarding preferential trade at the Imperial Conference. I do not say that he has done much for Great Britain. On the contrary, if his proposals are looked into it will be seen that Great Britain receives very little.

Mr. EWING.—Every part of the British dominions has done the same thing.

Mr. DUGALD THOMSON.—I am not aware that other parts of the Empire have extended concessions to us. Does the New Zealand concession extend to Australia?

Mr. DEAKIN.—Not unless we reciprocate.

Mr. DUGALD THOMSON.—Even the Premier of New Zealand chooses the portions of the Empire with which he will have preferential trade, though Great Britain so far has done no more for New Zealand than some other parts of the Empire. It has done more than we have, for we now shut out New Zealand products most effectively.

Mr. JOSEPH COOK.—And they shut out our products.

Mr. DUGALD THOMSON.—That is so. According to the figures quoted by the Prime Minister in recent speeches, and by the mover of the Address in Reply, our duties are not high enough to enable us to give any concessions to the British people. We have been told that according to the Board of Trade figures we impose only 6 per cent. upon British exports.

Mr. DEAKIN.—Seven per cent.

Mr. DUGALD THOMSON.—Something between 6 and 7 per cent., and I would ask, therefore, what concession can we give? The Prime Minister and the honorable member for Melbourne Ports say that we cannot give any. We must impose some duty for revenue purposes, and we cannot make any reduction upon a rate of only 6 per cent. I really wonder at the Prime Minister,

whose general fairness I am quite ready to admit, quoting this table so often when he knows very well that the Government could never have consented to accept a tariff upon the low scale represented. Owing to the frequency with which the table has been referred to, I should like to point out how absolutely fallacious it is. The figures are based not upon the imports of goods into Australia, but upon the total exports to all parts of the world, of certain large lines of manufactured goods in Great Britain. The exports selected represent £174,500,000, and the compilers of the table take, say, a line like machinery and hardware which represents £21,000,000. They have not taken the whole of the exports under this head, but simply textile machinery, locomotives, and sewing machines, which represent a very small proportion of the whole. They take no notice of the actual imports into the importing country in order to arrive at the average rate of duty. I do not say that they are not right in that case, because, as they point out, they would have to take into consideration the duties which are actually prohibitive. The method they have pursued may be illustrated in this way. A manufacturer of hats, for instance, would say to a customer—"The average price of the hats I sell you is 7s." The customer might say—"No, the average price of the hats you sell me is 3s. 6d." The manufacturer would then retort—"That cannot be because the average price of the hats turned out of any factory is 7s." The answer of the customer would be—"But you must remember that I buy only the cheaper grades of hats, and therefore my average price is lower than your general average." That constitutes the difference between taking the average on the total exports of a country, and the average on the actual imports of the country to which the exports are sent. Therefore the table is absolutely useless for the purposes to which it has been applied. The honorable member for Melbourne Ports, in mentioning the lines of goods upon which concessions might be made to Great Britain referred to cotton piece goods. If we removed the duty of 5 per cent. upon cotton piece goods, the protection in Australia would not be reduced to that extent. It would rather be increased, because we should retain 25 per cent. duty upon the goods manufactured from cotton piece goods. That is where the protection would come in. It is represented that there is a duty of 13½ per cent. upon certain

goods in Russia. That country imposes high duties, not only upon manufactured goods, but upon raw materials, and therefore a duty of 131 per cent. might afford no protection. There may be 131 per cent. duty upon cotton piece goods in Russia, but there might also be 131 per cent. duty upon raw cotton, an article which Russia does not produce, and which is not included in the table. The table is absolutely useless, worse than useless. Mention is made in the Governor-General's Speech of the advantage that would be conferred upon our producers by the establishment of preferential trade relations, but I would point out that the whole matter will require very serious consideration on the part of the Australian producer. I had an opportunity during the recent electoral campaign of coming into contact with a number of the producers of New South Wales, because I was relieved from the necessity of carrying on a contest in my electorate, and was thus free to travel through the country districts. The producers to whom I explained the subject looked upon Mr. Chamberlain's proposal in a light very different from that in which it was first presented to them. The preference offered by Mr. Chamberlain's proposals must be very small, so far as we are concerned, because it cannot be afforded in connexion with raw materials, which represent by far the largest proportion of our exports. It can be given only in connexion with food, and therefore cannot be a high preference. He suggests a duty of something like 3d. per bushel upon wheat, and 5 per cent. upon meat, and he proceeds to make what from his attitude is the extraordinary statement—which is in keeping with the idea previously expressed by more than one Minister in this Chamber—that he does not think that these duties would increase the price to the consumer, because the foreigner would pay the duty. If so, what preference will be given to our producers. If the foreigner has no other market he may be compelled to pay the duty, and if he does all preferential advantage will be lost to us. We must remember that retaliation is always possible. A great many of our exports are sent to foreign countries. Take coal, for instance. Foreign nations might retaliate in connexion with our coal exports and we might find our products displaced by coal from Japan, Vancouver, or other places. All these matters are worthy of careful consideration. The next matter to which I wish to refer is the Federal Capital site. I am

rather disappointed that the Minister in charge of this matter has not displayed more of that wonderful energy which he is known to possess. The survey which he promised has been unduly delayed, and I find that the Federal Capital sites question, which occupied a prominent place in the programme of last session, is now low down in the list of measures to be introduced by the Government.

Mr. DEAKIN.—It does not follow that it will be taken in that order. The measure will be brought forward as soon as the surveys are completed.

Mr. DUGALD THOMSON.—I am glad to have that assurance. The Minister for Home Affairs is well aware of the feeling excited in Western Australia in regard to the transcontinental railway, which was not provided for in the Constitution, but which is said to have been the subject of promises by certain Prime Ministers. He can, therefore, well understand the feeling of something more than irritation which has been brought about in New South Wales by the delay in giving effect to the terms of the Constitution. I hope that in spite of the contemptuous comments which have appeared in the press of some of the States on this subject, the Government will not be diverted from the early fulfilment of the compact made with New South Wales. With regard to the Inter-State Commission, I do not for a moment contend that there is no need for such a tribunal, but I hope that the Bill to be introduced for the purpose of creating it will not be framed upon the lines of the previous measure with regard to expense. We should be able to secure efficiency and economy at the same time, and I hope that some means will be devised by which we may utilize the services of our High Court Judges or other officials. The matters which require to be dealt with, although very important, are simple and few, and could be disposed of effectively and cheaply. It is not desirable that we should create any more departments than we can help, and it will certainly not be necessary to erect such an establishment as that contemplated in the Bill previously before us.

Mr. DEAKIN.—Owing to the restriction imposed by the Constitution as to the character of the Court, it is very difficult to make provision for discharging the work of the Inter-State Commission by availing ourselves of the services of existing officers.

Mr. DUGALD THOMSON.—That may be, but I hope that some arrangement

will be made for economically and speedily disposing of the few matters, such as wharfage rates, differential railway rates, and one or two other matters which require attention. When these have been dealt with, the main work of the Commission will be, to all intents and purposes, completed for the time being, and it will have simply to deal with breaches of its decisions.

Mr. G. B. EDWARDS.—Why not appoint a High Court Judge, and a temporary assessor?

Sir WILLIAM LYNE.—That is what we wished to do, but we find that it is impossible under the Constitution.

Mr. DUGALD THOMSON.—I think there are methods which might be adopted for avoiding any unnecessary expense. A great deal has been said in reference to the employment of white labour only upon subsidized mail steamers. This House in a fit of virtue—if it was virtue—allowed a section to be inserted in the Postal Act—

Mr. WILKS.—May that virtue long continue.

Mr. DUGALD THOMSON. — The honorable member is perfectly welcome to his opinion. The peculiar position is that—whilst the Ministry are succeeding in dislocating the mail service of the Commonwealth—and personally I do not object to discontinuing the payment of the subsidies, so long as we give our producers not less than the present opportunities for the export of their produce, and our community equal opportunities for the carriage of its mails—the only proposal before us is that we shall abandon the subsidy without any intimation of the effect of such abandonment, and that we shall pay poundage rates. We are to abandon the subsidy because we refuse to pay it to mail steamers which employ coloured labour, and we are to pay poundage rates to vessels which employ that class of labour. We will not pay a subsidy to black labour, but we will pay poundage to black labour.

Mr. JOSEPH COOK.—It is time that the Ministry make a statement upon that matter to the House.

Mr. DUGALD THOMSON. — Yes; honorable members ought to be taken into the confidence of the Ministry upon such an important question at the earliest opportunity. The Prime Minister has said that upon the German vessels a law operates which confines the crew to members of German nationality. He declares that what it is possible

for Germany to do in this respect, it is equally possible for Great Britain to do. That is not so.

Mr. DEAKIN.—I was alluding only to the Australian service.

Mr. DUGALD THOMSON.—If we look at the enormous proportion of British shipping, we shall see that it amounts practically to half the tonnage of the world. It represents more than 16,000,000 tons out of a total for the world of about 33,000,000 tons. When we remember that a population of 40,000,000 has to find the seamen for a mercantile marine so enormous in proportion to the mercantile marine of other countries, and that it has to provide the sailors for a navy as large as those of the two other most powerful navies in the world, we can easily see that what other countries can do in the way of manning their vessels by native white seamen is quite impossible to Great Britain.

Mr. WATSON.—But the number of British seamen employed has actually diminished.

Mr. DUGALD THOMSON.—I have not the figures before me at the present moment, but I accept the honorable member's statement. With the exception of the American service, the British mercantile marine is the highest paid marine in the world. Therefore, the diminution must be largely due to the fact that during the last twenty, thirty, or forty years greater opportunity for employment has existed in Britain than previously existed. I know from my own experience that in England a great many persons used to go to sea simply because they saw no opportunities for obtaining land employment. If for any good reason we cannot at present man our enormous shipping tonnage, by absolutely refusing employment upon our mail steamers to Indian black subjects we are really providing men for foreign navies, because Germans and others are being employed, and in many cases trained, in the British mercantile marine.

Mr. WATSON.—They are mostly Scandinavians, I think.

Mr. DUGALD THOMSON.—No, they are mostly Germans and others, called by seamen Dutch. There are not nearly so many Scandinavians. A great many of the men who are being employed and trained in the British mercantile marine would, in case of war, be called upon to man their own country's navy.

Mr. WATSON.—But they are "undercut" in the mercantile marine.

Mr. DUGALD THOMSON.—No. At the British shipping offices the same wages

are paid to British and foreign seamen. I quite admit that if we could withdraw foreign sailors altogether, a rise in wages might result. Personally, I should be glad to see such an increase in wages, if it did not enable foreign nations to wipe the British mercantile marine off the ocean.

Mr. JOSEPH COOK.—How does the employment of black labour upon our mail steamers affect that question?

Mr. DUGALD THOMSON.—If, at present, we cannot man more than half of our present shipping tonnage, I hold that by prohibiting the employment of these British dark subjects upon our mail steamers, we must make room, not for British sailors, but for foreign sailors. At any rate, there is this advantage in the employment of the lascars, that it is proposed—and in time of war effect would be given to the proposal—to place these men upon our fast mercantile cruisers.

Mr. WATSON.—They have not been placed there so far, and I think that the authorities will reconsider the question of manning our ships with them in time of war.

Mr. DUGALD THOMSON.—I think that is a very wrong thing to say, because some of these crews have displayed as great courage as any white man ever did. We must remember that these black British subjects, whose courage we doubted, and whose reliability we questioned, have fought for the Empire—

Mr. WATSON.—Not the lascars. They are not of the same race.

Mr. DUGALD THOMSON.—But there are a variety of races which have done so. The very men of whom it was said years ago that they would be useless as soldiers—and they were useless then—have now become supports of the Empire.

Mr. G. B. EDWARDS.—They always were.

Mr. DUGALD THOMSON.—Years ago, as troops, these men were looked upon as useless. The Sikhs and some others were recognised as good men, but the rest were regarded as absolutely worthless.

Mr. JOSEPH COOK.—But we have never used them against a European foe.

Mr. DUGALD THOMSON.—At any rate, it is considered that it will be necessary, in time of naval war, to make use of some of the coloured people of the Empire, if not the lascars, to man our fast cruisers.

Mr. G. B. EDWARDS.—By placing some down below?

Mr. DUGALD THOMSON.—By placing some below and others on deck. I shall

not enter into a discussion of the question of immigration restriction, further than to say that the whole complaint against the Ministry in this matter has reference to their administration of the Act. That they have to administer the law we all admit; but it has been administered in such a way as to provoke much of the contempt with which Australia is regarded by the press of other countries.

Mr. G. B. EDWARDS.—And Parliament was asked to trust the administration of the Act to the Government?

Mr. DUGALD THOMSON.—It is all a question of administration. The Government can make the Act impossible tomorrow, if they choose to enforce all its provisions as they have this particular one. For example, there is a section providing that bad characters and people suffering from loathsome disease shall be excluded from the Commonwealth. But are they not admitted every day? We know that they are, because, to take the measures necessary to exclude them would make the name of Australia a by-word from end to end of the world, and would induce even its own people who have left its shores to remain away for ever. I do not think that even those who were most favorable to this provision desired that, as in the case of the *Petriana* there should be any appearance of inhumanity.

Mr. DEAKIN.—Was there any?

Mr. WATSON.—No.

Mr. DUGALD THOMSON.—There was some appearance of it when shipwrecked sailors were exposed for many hours on the deck of a tug in Port Phillip, and then removed to another vessel to be sent out of the country.

Mr. DEAKIN.—Any delay that may have occurred was not due to us. I am prepared to place all the papers in connexion with the case on the table.

Mr. DUGALD THOMSON.—It has been stated that the Customs authorities were guilty of delay.

Mr. MAUGER.—A gross misrepresentation for party purposes.

Mr. DUGALD THOMSON.—At any rate there was an evident intention to prevent the men from landing.

Mr. DEAKIN.—That is not so.

Mr. DUGALD THOMSON.—Shipwrecked sailors on our shores should be treated as they are treated in all other parts of the civilized world. They should be made as comfortable as possible, even at the risk of

one or two of them making their escape. The Minister's explanation of the Government proposal in regard to old-age pensions was absolutely unsatisfactory to those who believe in such a system being administered and paid for by the Commonwealth. I admit that if the desirableness of old-age pensions be allowed they should be provided for by the Commonwealth, so as to avoid the inconsistency at present shown in refusing the assistance granted to others to a man who, although he has been fifty years in Australia, has not spent twenty-five years in a particular part of the Commonwealth. The Minister declares that provision for old-age pensions is to be made by arrangement. What is the meaning of that assertion? The arrangement should have been completed before any mention was made of the matter either in the Governor-General's Speech or in the House.

Mr. PAGE.—Perhaps it has been made.

Mr. DUGALD THOMSON.—The Minister admits that no arrangement has been made, so that the paragraph referring to it in the Governor-General's Speech is only an advertisement for the Government. It is simply a politic step taken by them to suggest the putting forward of what they think is likely to be a popular measure. There should have been negotiations with the States Governments before anything of the kind was mentioned. The assent of every one of the States Governments should first of all have been obtained, because without that assent nothing can be done.

Mr. DEAKIN.—Without that assent we cannot obtain a uniform system.

Mr. DUGALD THOMSON.—What would be the advantage of transferring to the Commonwealth the old-age pension system of any of the States unless a uniform system were thus secured? If any State says that it does not believe in old-age pensions, or that, in the event of the adoption of such a system, it will carry it out for itself, a uniform system for the Commonwealth cannot be obtained, and this proposal cannot be carried out.

Mr. DEAKIN.—It could be done.

Mr. DUGALD THOMSON.—Not unless the Government wished to make the whole thing an absurdity.

Mr. DEAKIN.—But five out of the six might transfer to us the power to deal with old-age pensions.

Mr. DUGALD THOMSON.—And the man who crossed from any of those States into the remaining one would be open to the same inconsistent treatment that at present obtains.

Mr. DEAKIN.—That would be only one-sixth of the present difficulty.

Mr. DUGALD THOMSON.—But the inequality would remain.

Mr. DEAKIN.—We should get rid of it gradually.

Mr. DUGALD THOMSON.—It would be most absurd for the Government to adopt that system, for it would be almost as imperfect as would be the taking over of the two States systems which now exist. I have the fullest sympathy with every word which the Prime Minister has said as to the desirableness of attracting people to Australia, and by means of the increased population so obtained creating new industries and enterprises, and securing the development of those now in existence. But there is only one effective method of attracting population, more especially to a place so distant from the old world as is Australia. We must either attract the people through the agency of those now in the country, or by the assistance of our law-makers. We wish to create prosperity, and that prosperity can be secured only when there is confidence in the industry and enterprise of the country. The illustration of Canada given by the Prime Minister shows that that is so. Twenty-five years ago lands were obtainable in Canada on the same conditions as are at present offering; and every effort was then made by the Canadian Government to attract population by means of advertising. The response, however, as a perusal of the figures will show, was very slight, the reason being that whilst the country possessed certain attractions, the one great attraction of prosperity was missing. When a country—and especially a country close at hand to other over-crowded lands—is prosperous, it will succeed in attracting population. I admit, of course, that very substantial prosperity is necessary to cause an influx of people to very distant lands, but when a country is prosperous the fact is scattered broadcast and the people who are doing well there communicate with their friends elsewhere and recommend them to join them. If we wish to advertise Australia—if we wish to secure something that will attract population to our shores—we must adopt methods that will result in the prosperity of the Commonwealth. That prosperity is not possible without stability

and confidence. I am not one of those who object to the working classes doing well for themselves and using every effort to improve their position—indeed, I believe that when we really benefit the labouring classes we benefit the whole population.

Mr. KNOX.—That is what many people forget.

Mr. DUGALD THOMSON.—When I object to proposals of a certain kind, as I have to do sometimes, I am actuated by the belief that they are not really designed to benefit the classes whose welfare they are meant to secure. I take my own ground on these matters, and decide what I think will have the best result. But what I fear about some of the proposals of the Government is the creation of a greater antagonism between the two great elements of industry, capital and labour. It is desirable—and this remark applies to both sides of the question, to capitalists as well as workers—to arrive at some understanding that will create confidence, that will remove all unnecessary harassing from industry, that will induce enterprise, and, consequently, produce plentiful employment, to be followed by prosperity for the whole country. Once we accomplish that end we shall secure the greatest development for Australia that we can get. I do not care what a man's views are, or on which side of the question a legislator votes; all ought to endeavour, not to widen the differences between the two great parties in industry, but to narrow them, to remove them, if possible, so that prosperity may result. Whilst the Prime Minister desires to secure a flow of immigration, such as is taking place in Canada, he objects to one thing that is attracting immigration to Canada, and that is, the engagement before arrival of British subjects. I understand that a great many of the farm labourers, who are going to Canada, are engaged before they go. Like the leader of the Opposition, I cannot see why that should not be the case here. If labourers are not brought here to have an effect in any social or industrial disturbance, surely it is better for those who are here now, and far better for those who come, that they should know that they are going to be employed when they arrive. On the one hand, the person already living in Australia is secure, and, on the other hand, the persons who come know that employment is ready for them, and that they will not be thrown on to the market to look for work.

Mr. BATCHELOR.—Is there a want of farm labourers in Australia? Is it not farmers rather than labourers who are required?

Mr. DUGALD THOMSON.—I do not say that there is a dearth of labourers. If there is not, there would not be any engagement of labourers in England. But I believe that in Canada a large number of those who are going out are farm labourers under engagement. In fact, I believe that 20,000 of them went out in one season.

Mr. WATSON.—Were they not preceded by a large number of settlers?

Mr. DUGALD THOMSON.—I agree that a large number of settlers went in advance, and I should like to see settlers coming to Australia. I should like to see opportunities given for settlers to obtain land on the best possible terms. But in all this industrial legislation it is unwise for us to go further than is necessary, and it is always desirable to avoid that character of administration that will attract the criticism of the rest of the world. There are other things in the speech of the Prime Minister to which I should like to refer but for the lateness of the hour. I am sure that the Prime Minister will have the active sympathy and assistance of the Opposition and of all parts of the House in any wise proposals for increasing the prosperity of Australia, and directing a proper class of settlers to these shores. When he comes down with definite proposals to that end, if it is possible for him to embody them in a measure, he will receive every assistance from all sides, because we recognise that the present situation of Australia, when the only thing that is increasing is the public debt, is undesirable. I hope that the attention of the Governments of the States will be directed to the matter, and that the discussion will result in an improvement, so that if there is to be an increase of the debt—and I hope there will not be—we may also have an increase in the resources, and of the number of that best asset, the people of Australia.

Debate (on motion by Mr. WATSON) adjourned.

ADJOURNMENT.

MAIL CONTRACTS: PREFERENTIAL TRADE WITH SOUTH AFRICA.

Motion (by Mr. DEAKIN) proposed—

That the House do now adjourn.

Mr. JOSEPH COOK (Parramatta). — I wish to ask the Prime Minister whether he

will be good enough to lay upon the table of the House the papers connected with the recent negotiations for tenders for the mail service? To my mind, the Government are acting over this matter with a secrecy which is ill-omened. In connexion with a matter of so much importance, the Government should have taken the public into their confidence. We ought to know from the Postmaster-General exactly what has taken place. We understand that he has received a tender from the Orient Company, and that he has rejected it. Why cannot he tell the House, for instance, what is the nature of that tender, and on what grounds he refused to accept it? That is a matter of importance, and I should imagine that it ought to receive publicity. The public, as well as the Government, are concerned in these mail tenders. There ought not to be the slightest objection to making public the terms which have been submitted, and which have been rejected by the Government. I should have thought that the Postmaster-General would have been ready to-day to lay the papers upon the table of the House. I do not know what all the secrecy is about, and I, for one, enter a strong protest against the policy which has been pursued by the Government.

Mr. G. B. EDWARDS (South Sydney).—I wish to know whether anything has been done to fulfil the Prime Minister's promise to me to get full particulars as to the interchanges between the Commonwealth and the South African colonies, with a view of considering whether there could be arranged a system of preferential duties without awaiting the consideration of the wider question of preferential trade within the Empire?

Mr. DEAKIN (Ballarat—Minister for External Affairs).—In reply to the honorable member for South Sydney, let me say that I believe the information asked for has been partly obtained. I know that when the information was promised, a commencement was made with its collection. I shall, however, inquire further into the matter. The honorable member for Parramatta scarcely realizes that the Government are not yet in a position to make their proposals. Our last intimation of a tender was received after the close of the time specified, and though we had received a cablegram giving a general outline of the offer, there are no details to hand. The Government have no wish to delay bringing the matter before the House. This will be done as soon as there is

material on which to make a proposal. To take the course suggested by the honorable member would simply mean the laying of one paper after another on the table without any definite purpose.

Mr. JOSEPH COOK.—But we have reached a definite stage regarding the whole matter. We are informed that the Government have rejected the proposals sent in originally.

Mr. DEAKIN.—The honorable member will see the reason when the Government are in a position to lay all the proposals before the House, with the alternative which we desire to have adopted. All information will be given to the House, but at a time when the matter can be practically dealt with, and not now when discussion could not result in anything.

Question resolved in the affirmative.

House adjourned at 10.55 p.m.

Senate.

Friday, 4 March, 1904.

The PRESIDENT took the chair at 10.30 a.m., and read prayers.

COMMITTEE OF DISPUTED RETURNS AND QUALIFICATIONS.

The PRESIDENT laid upon the table his warrant, nominating Senators de Largie, Dobson, Macfarlane, Sir Josiah Symon, Walker, Lt.-Col. Neild, and Styles, members of the Committee of Disputed Returns and Qualifications.

Warrant read by the Clerk.

CONTRACT POST-OFFICES.

Senator PEARCE asked the Vice-President of the Executive Council, *upon* notice—

In the contract for Contract Post-offices, where the whole time of the person tendering, or his employes is required, is there any stipulation for the payment of a minimum wage?

Senator PLAYFORD.—The answer to the honorable senator's question is as follows:—

The articles of agreement for Contract Post-offices provide as follows:—"That the contractor will pay, or cause to be paid, to every person not being a member of his or her own family employed in connection with the services contracted to be performed hereunder, or any of them, such salary, wages, or remuneration as shall be a reasonable recompense for the services performed by such person, based on the average rate

of salary, wages, or remuneration prevailing in the locality adjacent to the place approved as that at which the services hereunder are to be performed, for services of an analogous kind to persons answering the description of the person or persons employed by the contractor." It has been decided by the Postmaster-General that the person tendering shall not receive less than £65 per annum, together with quarters, for his services.

Motion (by SENATOR PEARCE) agreed to—

That a return be prepared and laid upon the Table of the Senate, showing—(1) The number of Contract Post-offices in the Commonwealth, showing the number in each State separately. (2) The number of such offices established since January, 1903.

PAPERS.

Senator PLAYFORD laid upon the table the following papers:—

Petriana case.

Asiatics in the Transvaal.

GOVERNOR-GENERAL'S SPEECH: ADDRESS IN REPLY.

Debate resumed from 3rd March (*vide* page 79), on motion by Senator Trenwith—

That the following address be presented to His Excellency the Governor-General:—

TO HIS EXCELLENCY THE GOVERNOR-GENERAL—
May it please your Excellency,

We, the Senate of the Commonwealth of Australia in Parliament assembled, beg to express our loyalty to our Most Gracious Sovereign, and to thank Your Excellency for the speech which you have been pleased to address to Parliament.

Senator HENDERSON (Western Australia).—I think that the Government are to be commended for very many of the proposals which they have placed in the opening speech. At the same time we cannot but regret the indefiniteness of some of their proposals. I hope that the States debts will, as has been suggested by honorable senators, pass at an early date under Federal control, inasmuch as the whole responsibility would still rest on precisely the same people. My hope is that by the concentration of those debts under Federal control we shall give to our nationhood a zest which we do not appear to possess at the present moment. I regret the indefiniteness which surrounds paragraph 4 of the opening speech. The Government have made the settlement of a matter which must appeal to all as being worthy of the deepest human consideration, contingent upon an indefinite state of affairs, namely, the re-adjustment of Federal and States finances. I refer to the adoption of some uniform system of old-age pensions. I hold that there ought to be no indefinite-

ness about this great matter of human concern. No higher aim could be pursued by any of us than to attempt to provide for our aged, infirm, and worn-out people. Surely history has already given us facts in abundance to satisfy us that in Australia the day has arrived when the determination of this matter should be made contingent, not upon a re-adjustment of Federal and States finances, but upon a definite proposal to impose a system of direct taxation to provide the necessary funds. The *Nineteenth Century* for the month of December contains a very interesting article by Miss Sellars, in which she gives practical details of the operation of the poor institutions in England. We glory in our English traditions, but when we come to deal with the question of the aged poor we are confronted with an indictment the contemplation of which ought to make Britishers blush with shame. We find that those institutions—unquestionably founded on what may be termed our highest Christian notions—are simply degrading our worn-out people, instead of enabling them to live out their few remaining days in solace and comfort. In her article, Miss Sellars, in very clear language, draws a picture which must make all Englishmen feel that we have something very serious to answer for. In these institutions, which I contend ought to have been carried on for the comfort of the aged people, the infirm and the lunatic are huddled up together. As many as thirteen and fourteen persons, we are told by this writer, are placed in one room, and nurses are not to be found from morning till night. To prevent the possibility of an indictment of this character finding a place in Australian history, we ought at once to adopt some scheme by which we can adequately provide for the maintenance in reasonable comfort of our old people in their declining days. If we are to do that, and to do it immediately, we must impose direct taxation. In advocating direct taxation, I recognise that the class who would contribute most largely are those who have reaped the greatest amount of fruits from the labours of our worn out workers. The statement must appeal to the humanity of every one of us that this proposal for old-age pensions is one that should not be surrounded with any halo of indefiniteness, but one that should be marked as embodying a great principle, our object being to prevent eventualities arising in our midst, which we know prevail in every largely-populated country, and

which will inevitably prevail here, unless wise provision is made to prevent it. The matter of preferential trade, which is mentioned in the speech, is one as to which, I think, the absence of definiteness may be commendable. It is commendable, inasmuch as we are assured by English people that the whole question remains in a state of indefiniteness at present. We learn from statements made in the British Parliament quite recently that preferential trade is only being got ready for discussion by the people. I agree with the honorable senator who made the remark yesterday that it is not yet a question of practical politics in Australia. When it has become such a question, we may be able to afford to take up the time of the country in discussing it. At the present moment we have no such thought. I listened very carefully to the speech of the mover of the Address in Reply, and waited anxiously to hear any definite propositions which he might probably make on behalf of the Government. But having surrounded it by a considerable amount of confused argument—as I think it fair to say that he did—he allowed the matter suddenly to drop into the background without any attempt logically to clear up his position. Neither in the Governor-General's Speech nor in the speech of the mover of the Address in Reply was there any indication of an evident intent to bring about a discussion on the subject. I have no doubt that, during the course of the debate, further views will be expressed. But the Government have omitted—and I think intentionally omitted—to leave room for a discussion on fiscalism, and for this we may highly commend their good sense. It is safe to say that we can utilize our time to much better advantage by executing the practical commissions that have been intrusted to us, rather than by opening up a discussion which, after all, would only lead to this end: namely, that a senator on the Government side of the Senate would give us figures and facts to prove conclusively that three and two make five, whilst, on the other side, Senator Pulsford would be equally certain that four and three make seven. But, inasmuch as those facts are clearly demonstrated in our educational curriculum, we may very well, for the time being, leave them in the hands of the statistical authorities, and proceed to matters that would appear to be of anxious interest to the welfare of Australia. In paragraph seven the hope is expressed that some effective means

Senator Henderson.

will be devised to secure desirable European immigration. That subject has been dealt with by several speakers, and it has been made a pretext for raising opposition to the principle of a white Australia. While listening to some of the remarks made upon the question I was more firmly convinced than ever that the man who seeks ardently to open up the country and to keep it open to all classes of people is most illogical in the conclusions at which he arrives. I hold that the moment a man begins to advocate the importation into this country of the alien races of the earth he must logically take up the other stand, that he will throw open all the social immunities of life in Australia to aliens. Why should we attempt to bring them here for industrial exploitation, and then deny to them those civil rights of manhood and womanhood which we recognise to be essential to the welfare of our social system? The question of immigration must necessarily appear important to every man in Australia. But there are other questions that are equally important—questions in fact which seem to me to lie at the fundamental basis of this subject. There is the matter of the employment of our own people. Whilst people in Australia are clamouring for immigration we have thousands of men who have not a job of work to do and many who have not a crust to satisfy their hunger; whilst, at the same time, work is being done by aliens. That is a consideration which, to me, does lie at the fundamental basis of the immigration problem. Having cleared the way, having seen to our own satisfaction that every man is comfortably employed, we may be more anxious than we are to-day for immigration to Australia. This cry is, I am sorry to say, raised by many people, who, at the same time, contend that the Immigration Restriction Act has been the means of preventing white immigration. It has been the means of preventing immigration of a kind, and that should commend it to every sensible man who looks clearly at the position. Presumably the coal owners at Outtrim would join in this cry. They would, no doubt, be very glad if there were 600 or 700 or a 1,000 more working men in Victoria than there are. They would have been glad, by a system of contract, to have had deluded people in distant countries brought out here to serve their purpose, whilst working men who are here already remained in enforced idleness, or, as an alternative, were compelled to work under conditions that are unfit either for black or white men. This cry

is raised largely by people of that class, simply because they are aware that the men who know the conditions under which they are asked to labour have just reason for resenting them, and for taking up the attitude which they now assume. If we wish to encourage immigration it should be our aim to make Australian conditions such as will induce suitable persons to come to our shores. We desire such conditions in our industrial life as will insure peace, and there are indications which show that we are aspiring to that end. Why should we be content to sit down, and say that people will not immigrate to Australia, when we know that we have locked up the best and almost the whole of our country in such a way that it is absolutely useless for men to come here? If we desire to induce the immigration of agriculturists, and, taking my cue from one of the honorable senators who has spoken, that is a class of immigration which is to be regarded as very desirable, the first thing we must do is to make the lands of our country possible of access to those people when they arrive. This at the present time appears to me to be a question the termination of which rests with the States and not with the Federal Parliament. We must recognise that in all of the States there are landed properties which are absolutely locked up, so that they are useless to the States in which they are situated, and to the people of those States. If adequate inducements to close settlement were given, the result which has followed such a policy in New Zealand would ensue just as surely in every State of the Commonwealth, and this cry for immigration would soon pass away. If the cry is to be kept up with the object of stocking the country with unemployed people, who will have to sleep in our domains and under our balconies, it shall never have any support of mine. So long as we endeavour to bring people to our country to live under conditions tolerable to the race of which we are scions, I shall be prepared to assist in every possible way in giving encouragement to such a policy. I desire now to refer to a matter which will disclose some of the reasons why immigrants are not attracted here as fully and freely as we could desire. I refer to the question of compulsory arbitration. When the compulsory side of this question was raised yesterday we found some advocates of the voluntary system asking the reason why English trades unionists were not unanimous, or even in a majority

in support of the compulsory system. I do not propose to give all the reasons which might be logically placed before the Senate for the attitude of English trades unionists upon the question up to the present moment; but the day is very fast approaching when the large majority even in England will favour the establishment of compulsory arbitration. The history of the Trades Union Congresses, which have been held from time to time during the last ten years, proves very clearly the gradual but certain growth of this principle. It proves that the scarcely discernible minority in support of it ten years ago has now reached such proportions that it can scarcely be properly described as a minority. When we come to compare the conditions which have prevailed in our own land, we shall discover some of the reasons why the workers here and at home have not all risen to the same platform at the same time. We find that for the last thirty years a system of voluntary arbitration has been practised in England, and in the very large centres of her industrial life this voluntary system has worked almost as well as a compulsory system. In the north of England, there are 156,000 working men engaged in one industry, and for over thirty years those men have been working under a system of voluntary arbitration carried out upon a basis which has proved very satisfactory to employer and employé. What has been the basis? It has been the establishment of joint committees who have met from time to time, annually at least, and have adjusted prices in the industry in accordance with the existing condition of things. These adjustments, mark you, have been arrived at by workmen talking across a table to their employers. That is a point that I want to emphasize. I do not say that they have been talking over a table to the representatives of syndicates and combines, such as we in Australia have had to deal with chiefly. They have been face to face with their individual employers in adjusting prices. This has been going on for years, until in the evolution of industry, the forces which have been at work in Australia are beginning to have effect in England, and her industries are now becoming the property of combines and trusts. Just as the combines and trusts have superseded the individual employer of whom I have been speaking, so have the desire and the necessity for a compulsory system of arbitration for the settlement of industrial

disputes shown themselves to the working people of England. Just as a change is taking place in England in the system of conducting industry, so the other change in the evolutionary process is moving upward and onward to be ultimately inscribed upon the statute-books of that country. We in Australia have asked, and do ask, that Parliament shall endeavour to make our industrial conditions absolutely peaceful and free from the rancour which arises from strikes and lock-outs with large sections of the population left in semi-starvation for months and months. For an example, I need only point to the condition of things which now obtain in a part of Victoria. We desire the establishment of a system which will prevent the employer from enforcing idleness upon his employes for thirteen or fourteen months in an attempt to starve them into submitting to conditions which are repulsive and repugnant to the very nature of men. We desire to establish an industrial system which will enable the whole of the people of this great country to live and prosper. We desire such a system as will be stable, and will show to the world that whatever else there may be in Australia, there is peace prevailing in her industrial life which keeps her trade and her commerce in one continuous strain from year to year. These are the conditions which usually entice the working man to a country. When I say the "working man," I recognise that the prosperity of Australia, and the making of Australia has depended upon her workmen, just as has the prosperity of every other country.

Senator WALKER.—The honorable senator does not object to some capital coming in?

Senator HENDERSON.—I have no objection to any amount of capital coming in. I only wish I could get a little of it. I know the men who have made Australia what it is. We can find them if we choose. I met some of them during my election campaign. I had the experience of addressing a meeting of the old, worn-out and aged people of Western Australia, the derelicts of our civilization, and amongst them were many who take rank with the pioneers of Australia, the men who have made this country what it is to-day. These people live there under conditions not so bad probably as those which prevail in English institutions for the relief of the poor, but under conditions from which we wish to free them. Such legis-

lation as I have indicated would encourage immigration to Australia, and give rise to a progress and prosperity which we should be able to maintain. I am reminded of a remark made by Senator Mulcahy yesterday. That honorable senator is certainly favorable to some system of industrial arbitration, but I do not think he made it quite clear what system it is that he does favour. He made it plain, however, that in his opinion compulsory arbitration which embraced the public servants of the States would result in grave trouble.

Senator MULCAHY.—What I said was that such legislation would embarrass the States Governments.

Senator HENDERSON.—My reply is that unless the arbitration legislation does comprehend the States servants, the whole country, and not any particular State, will be in danger of being embarrassed. Where is there in Australia any body of employes who could bring the business of the country to a standstill and cause general devastation in so short a time as could the railway servants by concerted action? I am not for one moment suggesting that there is any probability of such a state of things being brought about, but, for the sake of removing any elements of danger, it is our bounden duty to pass a comprehensive law which will tend to peace and harmony in all industries, including those which are carried on by the States. This question has been discussed very fully, and I do not think it is necessary for me to deal further with it except to indicate my feelings that this legislation must be of so comprehensive a character as to make for peace and harmony from one end of the Commonwealth to the other. I should like to say a word or two on the question of the Federal Capital site. Honorable senators told us yesterday that the Federal Government would only be performing a duty to New South Wales in making provision for the creation of a Federal Capital at once; and I quite recognise the validity of that contention. There is a constitutional provision that the Federal Capital shall be in New South Wales, and we should be constitutional renegades of the worst order if we attempted to prevent the fulfilment of an agreement made in broad daylight before the open eyes of Australia. For that reason I shall assist in every way the passing of the necessary legislation; and, I may say here, that I have already fixed upon the site I shall support. I have no desire to make

any secret of my opinion, or to hesitate in giving honorable senators my views, but I do not want the contention raised by Senator Neild applied to myself. I shall support the Bombala site when the question is brought up, but, as I say, I shall object to the insinuation that in voting for Bombala I am voting for something which will render the Federal Capital an impossibility. I shall vote for Bombala as an honest man, who knows the country, and, in doing so, I shall be only carrying out a duty to my conscience. When the proposal for a railway to connect Western Australia with the eastern States is submitted, I trust that the same honesty of purpose will be exhibited by every honorable senator. Although the representatives of Western Australia in the Federal Convention were not so cute as were the representatives of New South Wales. I hope honorable senators will remember the evident and indelible impression fixed in the minds of the former that once they entered into the great Federation of Australia and assisted in the building up of a nation here, all the rights of nationhood would be conceded to them—that Western Australia would not be continually regarded as the goat of sacrifice, but would be brought into the fold of Federalism. Until this transcontinental railway is provided, Federation, for Western Australia, will remain federation in name only; and the people of that State are only asking for what they are satisfied is a right. No reasonable man to-day can say that Federation has done anything for Western Australia except call upon that State to make sacrifices. No man can fail to recognise that no benefits whatever have yet been derived, or are likely to be derived, by that State from Federation until she is linked to the eastern States and becomes, what nature designed her to be, part of the great Australian nation. Senator Neild, in his very lengthy address on the Defence Forces of Australia might have assisted Western Australia very materially by urging the necessity for the construction of a transcontinental railway.

Senator MCGREGOR.—Senator Neild was on the "button racket."

Senator HENDERSON.—Senator Neild might have gone further than buttons and dealt with rails, sleepers, and locomotives, because he must recognise that not even he could successfully operate with the Defence Forces in Australia without such means of communication as I am advocating. There must be discussion on this question in

the future, and until that time I shall defer its further consideration. The Government express their intention or desire to amend the Federal Electoral Act, and we may hail that statement with some degree of satisfaction. I trust, however, that we shall seek to amend the Act in such a way as to recognise that all the people of Australia do not live in the large cities. There are men who are still opening up the country and still doing pioneer work; and at the last general election in Western Australia hundreds and thousands of persons, in order to exercise that right which belongs to every man and woman in the country, had to make journeys of 100 or 150 miles on bicycle, horseback, or on foot.

Senator FRASER.—There is voting by post.

Senator HENDERSON.—If such a journey were undertaken by coach it would mean a great cost to an elector.

Senator MCGREGOR.—Senator Fraser said that the franchise may be exercised by post.

Senator HENDERSON.—Voting by post presents similar difficulties. Such a journey by coach as I have indicated would occupy an elector at least five days, and as to the arrangements for voting by post, they seem to me to be a parody on electoral law. In order that some men may vote by post, they must travel 100 miles to personally obtain their rights.

Senator STANFORTH SMITH.—That's the fault of the administration rather than the fault of the Act.

Senator HENDERSON.—If it is in the power of the Government to make the administration of the Act more complete, we want to secure that complete administration as early as possible. The point I wish to emphasize is that a man who wished to vote by post in Western Australia had exactly the same difficulties to contend against as had a man who went to the polling booth to record his vote. In either case he was required to make a journey, perhaps for hundreds of miles, from his place of abode to the postmaster or to the polling booth. Let us have such an amendment of the law as will afford every convenience to the electors to obtain postal voting papers, and to exercise the suffrage, and then, if people should refuse to vote, it will be because of their apathy in regard to the questions of the day. I am obliged to honorable senators for the patient hearing which I have received. I thank the old members of the Senate who extended to the new members

yesterday such a cordial welcome. I reciprocate the sentiments which they expressed, and I trust that our associations in the chamber will be harmonious, and tend to promote the welfare of this young nation.

Senator FINDLEY (Victoria).—Although many matters of vital importance to the citizens of the Commonwealth are referred to in the opening speech, there is a reference to one matter which seems to me of immediate importance, and to which I intend to address a few remarks. I refer to the proposal to introduce cheap contract Chinese labour, or, in other words, semi-slavery, into South Africa. The late war, we are informed, cost £250,000,000. In that contract 25,000 human beings, including many Australians, were sacrificed. For whom and for what purpose was it undertaken? Was it undertaken for the purpose of extending greater freedom and wider liberties to the white population of South Africa, or for the purpose of further enriching a few immensely wealthy mining magnates? Evidently it was undertaken for the latter purpose, judging by the latest developments and the recent utterances of interested mining men in London. I am not altogether surprised at the attempt now being made to introduce the curse of cheap yellow labour into South Africa, for, on the 14th of December, 1899, at a meeting of interested mining men, held at the Cannon Hotel, London, and attended by a number of prominent citizens of Great Britain, Earl Grey said that after the war had ended Asiatics would be introduced to work the mines, that then negotiations were pending for the purpose of carrying out that project, and that no obstacle would be placed in their way by the Imperial authorities. In April of last year, a meeting was held in London under the presidency of Lord Harris, who, I understand, is chairman of the Gold Trust, and he gave three reasons why white men should not be employed to work in the mines of the Transvaal. His reasons were, first, because white labour was too costly; secondly, because the introduction of white labour would introduce the trail of the trades union serpent, and, thirdly, because 100,000 Englishmen introduced into the Transvaal to work the mines of the Rand would have political power absolutely in their own hands. And said this gentleman to the meeting—

With all due deference to the 100,000 Englishmen, political power should be vested where the brains were.

Meaning, if he meant anything, that these interested mining magnates have not only a monopoly of the earth of the Rand and its minerals, but also a monopoly of the brains. When hostilities began the services of 100,000 Englishmen were indispensable to the Empire. Their services were sought after, and they fought, not as I understood, but as many persons understood, for the extension of political power. They were good enough to take part in that battle, in which 25,000 men lost their lives, but they are not good enough to be intrusted with political power, because, according to the resolution of Lord Harris, they are too ignorant. I agree with the concluding remarks of the Premier of New Zealand in his recent communication to Mr. Gibson, secretary of the Political Labour League at Cape Town—

I boldly say, however, that whether the Australasian colonies gave little or much to South Africa during the Boer war, that help would not have been given if it had been dreamed that its effect would be to enable white labour to be excluded or penalized while Chinese or other Asiatics are to be introduced or encouraged.

It is probably well known to honorable senators that an agitation against the introduction of Chinese has been carried on in South Africa for a long period by different labour organizations. They deputationized the Government, and received an assurance that if public opinion, as ascertained at public meetings, were found to be against the introduction of Chinese serious consideration would be given to any protest carried at such meetings. After the labour organizations had made definite arrangements in regard to a public meeting held on the Rand quite recently, the mine-owners set to work, some openly and others insidiously, to defeat the objects which the labour organizations had in view. I am in possession of a copy of the *South African Guardian* of 18th December, and for the information of honorable senators, I shall read an extract describing the tactics which were adopted by the mining magnates in order to down the labour organization, and endeavour to break up their meeting:—

It will be incredible, perhaps, to those who know not the men and the methods of the pro-Asiatic party, but Johannesburg has been scoured by an agent, and almost every notorious scoundrel available engaged to be at the Wanderers at 6 o'clock, the price paid being 15s. Sandbaggers, men who have been tried for serious crime, down to such lesser lights as pea and thimble men, and mere pickpockets, were enrolled as worthy supporters of the pro-Chinese cause. But Johannesburg was evidently regarded as not being able to supply enough of the right sort, and so special

trains were engaged by the mine-owners to run from along the East Rand, the mine-owners sending out word that all pro-Chinese employes should be sent in free and with a shift's pay. Thus did the mine-owners arrange to take a vote of the people at the Wanderers. At 6 o'clock men were streaming down to the Wanderers, the hired gang having been given instructions to force their way to the front, under the platform. At about 7 o'clock the doors were burst in, and the gang took possession of the front of the hall. From then the men streamed in. They packed the side galleries, they climbed the wooden pillars, and peered in through ventilation openings in the roof. Thousands could not gain admittance. . . . In the front were some 400 men, or perhaps less, well drilled as to the purpose for which they had been brought—to break up the meeting. A mine official led the chorus, designed to prevent the speeches being heard. Standing on a chair, and energetically beating time, he directed the vocal efforts of his co-workers in the following notable refrain:—

Who are we, who are we?

We are the men who want Chinese.

For about four hours a perfect pandemonium prevailed, and then a number of the men engaged at 15s. per head left the hall in order to catch their trains. At that late hour a meeting, not so largely attended as it would have been in different circumstances, was held in denunciation of the proposal to introduce Chinese to work the mines. On the next day there was a sequel to that meeting. According to the *South African Guardian*, of the same date—

Hundreds of people congregated in front of the building, the crowd stretching right across the road. At the entrance to the room, and standing in the street, were two constables to preserve order in the admission of applicants, one by one, for the 15s., the pay of the night. The doorkeeper stood inside, and, with the door slightly ajar, took the name of each man, and admission was not granted until an inspection had been made of the register inside, which had been signed the day previously. No secrecy of any kind whatever was observed. Fierce struggles to gain admittance took place. Rushes were made to try and sweep the constables on one side, and men who strove to force their way in were constantly being thrown out into the roadway. The news of the proceedings soon spread through the town, and a crowd gathered to see the fun. Photographers were there taking snapshots, and reporters put in an appearance. Amongst the onlookers, exclamations of surprise at the utter shamelessness of the proceedings were heard on every side, together with hearty condemnation of the tactics of the pro-Chinese party. For over two hours the paying-off process went on, and during most of that time the struggle proceeded round the doorway. So in one of the principal thoroughfares in the centre of the town of Johannesburg the men were paid, who, the night previously, had done the work of their employers. It is estimated that some 200 were paid, and as the person who undertook the task is not regarded as a principal in the matter, we can only infer from whence came the

funds. The whole matter almost baffles comment. The organized obstruction at the meeting, the attempts to rush the platform, the shamelessness of the proceedings of the night eclipsed by those of the succeeding day. And it was for these men that war was made, all its horrors enacted, all its losses sustained. The irony, the tragedy of it, no words can adequately express.

There is no doubt that the position of the white workers is seriously threatened at the present time by the action of the mining magnates. If that action is allowed to go without serious protest by the people of Australia, and by the Australian national Parliament, which has a perfect right to enter its emphatic protest, further attempts will be made to degrade labour and to break up the existing trade organizations. I have in my hand a copy of a newspaper dealing with another aspect of the labour question in South Africa. It shows the opinions of the same people as are interested in the introduction of Chinese labour. Mr. C. E. Hogg, chairman of the Klerksdorp Gold and Diamond Co., said at a meeting of the shareholders in January of this year—

Skilled labour is grossly and abominably overpaid on the Rand. The great expenditure on white labour in South Africa was a more serious question to the mining world than the unskilled labour problem. Bricklayers could not be obtained at less than £1 per day, and yet on the company's property skilled white labourers were fed and housed at 30s. per week. Now that the unskilled labour question was practically settled, he hoped the chairmen of mining companies would take into consideration the question of a proper equalization of wage amongst whites.

Before the war bricklayers, I understand, were getting 18s. per day. The cost of living then was 25 per cent. less than it is to-day. Yet there will be an attempt later on to reduce the wages of all skilled artisans in addition to degrading the white population of the Transvaal. It has been said that the reason why it is proposed to introduce Chinese to work the mines is that those mines will prove unprofitable unless cheap labour is obtained. I have in my possession a list of many of the mines in South Africa, and for the information of honorable senators I will read the names of the companies, with the dividends they pay, from which they will see how very unprofitable they are! The Angelo Co. last year paid a dividend of 50 per cent.; the Bonanza Company, 100 per cent.; Crown Deep, 50 per cent.; Crown Reef, 155 per cent.; City and Suburban, 15 per cent.; Dreifontein Consolidated, 40 per cent.; Durban Roodepoort, 75 per cent.; Ferreria, 187½ per cent.; Ferreria Deep, 10 per cent.;

Geldenhuis Estate, 60 per cent.; Geldenhuis Deep, 45 per cent.; Ginsberg, 25 per cent.; Henry Nourse, 100 per cent.; Jubilee, 50 per cent.; Langlaagte Estate, 40 per cent.; Lancaster West, 10 per cent.; May Consolidated, 32½ per cent.; Mayer and Charlton, 40 per cent.; New Primrose, 25 per cent.; Nigel, 5 per cent.; Reitfontein, 20 per cent.; Robinson, 11 per cent.; Robinson Deep, 25 per cent.; Roo-depoort United, 15 per cent.; Rose Deep, 22½ per cent.; Simmer and Jack, 5 per cent.; Treasury, 13½ per cent.; Village Main Reef, 20 per cent.; Wemmer, 100 per cent. In addition to these mines, there were 28 other mines which paid by way of dividends all the amount of capital which had been subscribed in connexion with their formation. The whole of the labour organizations throughout Australasia are deeply concerned in respect to this question, and I feel sure that other labour representatives in the Senate will echo the sentiments which I have expressed to-day. I trust that every legitimate effort will be made to prevent the importation of the yellow curse to South Africa. The country will be reduced to a position of perpetual chaos if the efforts of the mining magnates are successful. It will also mean the making of further inroads upon the rights of labour. Not only are the trades organizations united in Australia, but all the trades unions of Great Britain are at one with us. I hope that the motion which will be submitted to the Senate at a later period of the session will be carried unanimously, and that when it is sent to the proper authorities, it will receive that consideration which the importance of the question demands.

Debate (on motion by Senator DRAKE) adjourned.

Senate adjourned at 11.50 a.m.

House of Representatives.

Friday, 4 March, 1904

Mr. SPEAKER took the chair at 10.30 a.m., and read prayers.

PETITION.

Mr. EWING presented a petition from certain residents of New South Wales and Victoria, praying the House to pass into law the Bonuses for Manufactures Bill.

MAIL CONTRACTS.

Mr. JOSEPH COOK.—I wish to know from the Postmaster-General if he can give the House the particulars of the tender of the Orient Steamship Company for the English mail contract. I wish to know the amount of the subsidy required by the company, and the nature of the service they offered.

Sir PHILIP FYSH.—The Prime Minister has already intimated that the whole of the papers relating to these tenders will be laid upon the table shortly.

Mr. JOSEPH COOK.—Does not the Prime Minister think it only fair that we should have the papers before us, so that the whole subject may be discussed in connexion with the proposals of the Government? I appeal to him to let us know the particulars of the tenders received.

Mr. DEAKIN.—Every paper relating to the matter will be laid upon the table, but, as I suggested last night, I think that no useful purpose can be served by placing before honorable members documents which are incomplete.

Mr. JOSEPH COOK.—Are the papers relating to the tender of the Orient Steamship Company incomplete? It is only for those papers that I now ask.

Mr. DEAKIN.—It is scarcely possible to lay one set of papers upon the table without the others. We intend to make a definite proposal to the House as soon as the second informal tender to which I have referred is made complete by the furnishing of particulars which are to be posted to us. I do not think it would assist the honorable member or further the business of the House to lay any papers upon the table until all the documents are complete and we are prepared to make a definite proposal.

Mr. JOSEPH COOK.—Am I to understand that the tender of the Orient Company will again come up for consideration in connexion with the reconsideration of the whole matter? Is that why the Prime Minister declines to lay the papers in connexion with it upon the table?

Mr. DEAKIN.—So far as I know, the tender of the Orient Company will not be again considered unless the tenderers see fit to amend it.

Mr. JOSEPH COOK.—Then why not lay those papers upon the table?

Mr. DEAKIN.—Because the tender may be amended.

PAPERS.

Mr. DEAKIN laid upon the table the following papers :—

Introduction of Asiatics into the Transvaal, correspondence relating to.

Petriana case, correspondence and papers relating to.

QUESTIONS UPON NOTICE.

Mr. DEAKIN.—I ask honorable members to be good enough to again adopt the practice which was found necessary last session of setting down for the following Tuesdays questions of which notice is given on Thursdays. Copies of the questions placed upon the business paper are sent to the Departments only late in the afternoon of the day upon which notice is given, and when that day happens to be Thursday there is not sufficient time on the following morning for Ministers to check the answers to make sure that the information contained in them is complete.

Mr. BAMFORD.—Can notices of questions be given at any time during the sitting of the House?

Mr. SPEAKER.—The Standing Orders provide for the handing in to the Clerk of notices of questions by members at any time during the sitting of the House.

GOVERNOR-GENERAL'S SPEECH :
ADDRESS IN REPLY.

Debate resumed from 3rd March (*vide* page 133) on motion by Mr. MAUGER—

That the Address be agreed to by the House.

Mr. WATSON (Bland).—Both the leader of the Opposition and the Prime Minister, in the able and comprehensive speeches they delivered yesterday, devoted some time to regretful references to the politically slain, formerly in their ranks, and gave more or less satisfactory explanations of how their disasters came about. As one of the Labour Party, I am under no necessity to do anything of the kind. The Labour Party is in the happy position of not only having lost none of those who made up our number in the last Parliament, but of having added considerably to our former strength. The Prime Minister alluded to the difficulties under which the Government fought the electoral campaign in New South Wales, owing to the fact that they had arrayed against them the two great metropolitan daily newspapers of that State. I would draw the attention of honorable members to the fact that the success of the Labour Party, great as it was, was obtained in the face of the op-

position of practically all the daily newspapers in Australia. With a few exceptions, the daily press of Australia was united in opposition to the political ideas and aspirations of the Labour Party, and in a policy of absolute misrepresentation which, in many cases, went far to delude the electors as to our real objects and actions. I have in my mind the conduct of a newspaper which persistently published a statement as to the attitude of the Labour Party last Parliament which had been refuted by me in a letter published in its columns. In that letter I gave the dates upon which, on behalf of the Labour Party, I had made certain statements in Parliament, but within ten days after its publication the newspaper reiterated its original statements, and continued publishing them in black type until the day of election, a period of about three weeks. That is an instance of the degree of misrepresentation to which this party was subjected during the campaign. In view of such circumstances, and of the fact that it was impossible for our small voices to reach any large proportion of the people, it is remarkable that we managed to materially increase our strength in both Houses at the expense of the two older parties.

Mr. JOSEPH COOK.—The honorable member cannot say that of the Opposition. The Government supported the Labour candidates all through.

Mr. WATSON.—We have gained our success at the expense, so far as numbers are concerned, of both the old parties.

Mr. JOSEPH COOK.—In New South Wales the Government took up the Labour candidates as though they were their own nominees.

Mr. WATSON.—I do not think they did anything of the sort. They refrained from running candidates for one or two seats, for which Labour men were running, because they saw no chance of winning them, and the Opposition did the same thing.

Mr. JOSEPH COOK.—Where?

Mr. WATSON.—At West Sydney and at Canobolas, for instance.

Mr. PAGE.—The Government sent the Attorney-General up to Queensland to fight our men.

Mr. SYDNEY SMITH.—The free-traders were the strongest supporters of the honorable member for Canobolas.

Mr. WATSON.—Yes; but no free-trade candidate had a chance of beating the present member for Canobolas.

Mr. SPEAKER.—I would point out to the House that the honorable member for

Bland is merely expressing his own opinions and is perfectly entitled to do so. If other honorable members differ from him they will have an opportunity to express their views later on. In the meantime I ask them not to interrupt.

Mr. WATSON.—I admit that I am merely putting forward my own opinions, which are open to question by other honorable members. I would point out to the honorable member for Parramatta, however, that several seats were lost to the Labour Party through the opposition of Ministerial candidates. In Victoria we lost seats for that reason.

Mr. JOSEPH COOK.—I spoke only of New South Wales.

Mr. WATSON.—In New South Wales we were shown only that degree of consideration which circumstances bound the other parties to give to us. Our success, therefore, was the more remarkable; but we have no cause to complain of the result of the recent appeal to the people. I had occasion to refer, by way of interjection, yesterday to a feature of the New South Wales contest which to my mind is the most humiliating and pitiable that could have been introduced into an election.

Mr. WILKS.—It brought the Labour Party into existence in New South Wales.

Mr. WATSON.—Nothing of the sort. The Labour Party has this to its credit, that whatever it has done in State politics, it has never touched sectarianism.

Mr. WILKS.—What did the leader of the Labour Party in the New South Wales Parliament say about that?

Mr. WATSON.—Upon a recent occasion, when sectarianism had become so rampant that it was impossible to close one's eyes to it, he stated that it existed, and he asked the people to resent its introduction into State politics.

Mr. WILKS.—When sectarianism is working in favour of the Labour Party it is all right, but now that it is going against the party it is all wrong.

Mr. WATSON.—I can understand any one making the best of such a thing, but I cannot understand any man glorying in the existence of sectarianism in politics.

Mr. McDONALD.—Such a man is an enemy and a traitor to his country.

Mr. WATSON.—It must be apparent to all that it will be impossible to obtain that calm and clear consideration of the great issues which must agitate Australia for many years to come if the public mind is inflamed and prejudiced by sectarian bitterness. What

I attempted to convey yesterday was that sectarianism in politics existed in New South Wales to an alarming extent. While the leader of the Opposition was regretting the introduction in Queensland of class views in respect to the political issue, he uttered no word of regret at the introduction of another more insidious danger into the politics of New South Wales. As one who has had for many years a great admiration for the undoubted abilities of the right honorable gentleman, I expected more from him than a covert encouragement of sectarianism, and was proportionately disappointed at his remarks. It is all very well for him to say that in his letter upon the occasion to which I alluded last night he deprecated the introduction of sectarianism. It is true that he did, but his letter on that occasion reminds me of the incident related by the novelist in connexion with an Irish election. In that case, the adherents of one party captured a member of the opposing faction, and the priest who was present strongly urged his parishioners not to put the captive's head under the pump. So in the case of the right honorable gentleman, whilst his letter in the first sentence deprecated the introduction of the sectarian issue, he stated later on that he could not disguise from himself the fact that he had always received the united hostility of a certain section.

Mr. WILKS.—That is absolutely true.

Mr. WATSON.—I do not think it is true.

Mr. SYDNEY SMITH.—The honorable member has introduced the sectarian question.

Mr. WATSON.—I know I have. I think it is foolish to bury our heads in the sand and blind ourselves to the introduction of influences which ought to be deprecated by all those who have any regard for a healthy public life. This is not a matter, however, for the display of any heat, because what is done has been done, and I do not wish to unnecessarily revive the subject. Had the leader of the Opposition taken the stand that the democrats in New South Wales expected of him, he might have killed the sectarian issue in connexion with the elections. His influence in New South Wales is admittedly and deservedly great, and if he had been strong in his denunciation, the sectarian issue would never have raised its head in New South Wales to the extent it did. I did not yesterday convey, nor do I intend now to convey, that the majority of the electors in New South Wales were influenced by any such trivial consideration as the

sectarian issue. My belief is that the great majority of the Protestants in that State allowed no such feeling to animate them, and perhaps the most gratifying feature of the election was the fact that the only direct candidate of the ultra-Protestant organization was defeated. It was gratifying to see such strong proof that the influence of the organization in question was comparatively small.

Mr. WILKS.—The honorable member is referring to the contest in Lang, where there were two candidates, including the one who was successful, running on the Protestant ticket.

Mr. WATSON.—The successful candidate was not the direct nominee of the organization. I know that in nearly all the electorates the organization referred to selected candidates to run on their ticket, but they were not the direct nominees of that body.

Mr. JOSEPH COOK.—What did the Government do to reprobate the introduction of the sectarian issue?

Mr. WATSON.—I do not know.

Mr. JOSEPH COOK.—Then why should the honorable member single out the leader of the Opposition for condemnation?

Mr. WATSON.—Because he, instead of keeping silent, wrote a letter which, in my view, amounted to a covert encouragement of the sectarian element.

Mr. JOSEPH COOK.—When was that?—It was years ago.

Mr. WATSON.—It was not more than eighteen months ago, when the sectarian agitation was started in New South Wales.

Mr. SYDNEY SMITH.—The honorable member has had the subject bottled up for a good long time.

Mr. DEAKIN.—The sectarian issue did not arise in Victoria. The Government supporters were of both colours.

Mr. WATSON.—If some honorable members in New South Wales had not endeavoured to take advantage of the sectarian cry, it would not have been raised. The leader of the Opposition had an opportunity of denouncing it of which he did not take advantage.

Mr. JOSEPH COOK.—Why does the honorable member single out the leader of the Opposition?

Mr. SPEAKER.—Order. I recognise that it is extremely difficult for the honorable member for Bland to proceed in the face of the constant interruptions to which he is now being subjected. I desire to point out that according to the Standing Orders, all interjections are disorderly; so

that if it were necessary, I could absolutely prevent them. I should, however, be sorry to take any such extreme step. I should much prefer to follow the usual course of trusting the whole matter to the discretion of honorable members individually. If that discretion is unwisely or imperfectly exercised, I shall have to enforce the Standing Orders by preventing interjections altogether. I hope that I shall not have to adopt that course.

Mr. WATSON.—I have referred to the leader of the Opposition, because in my opinion he had an opportunity of discouraging the re-introduction of the sectarian element into politics. Instead of denouncing it, or allowing it to die, as we might have hoped it would, a natural death, the right honorable gentleman took the opportunity to covertly encourage it. That is the objection I take to his attitude, and I regret that he has fallen from the high plane of politics upon which he had previously moved. The right honorable gentleman at the close of his remarks on this matter said that the sectarian issue should be avoided as a fire or pestilence. What is to be said of the head of a great party in the State, who aspires to be the Prime Minister of Australia, who, whilst believing that the introduction of the sectarian issue into politics should be treated as one would treat a fire or a pestilence, does nothing to stamp it out, but, on the other hand, fans the embers into flame.

Mr. JOSEPH COOK.—What have the Government done to stamp it out?

Mr. WATSON.—They have not encouraged it that I know of.

Mr. DEAKIN.—The Government have no relation whatever to the sectarian issue.

Mr. WATSON.—The leader of the Opposition, in the course of his remarks, also asked why I had waited until now, after having been ten years in the public life of New South Wales, to bring up this matter.

Mr. WILKS.—Because until recently the sectarian influence was always on the side of the Labour Party.

Mr. WATSON.—That is an absolute misstatement, and the honorable member has been sufficiently long in public life to know that it is untrue.

Mr. WILKS.—I shall show whether it is untrue or not.

Mr. WATSON.—It is absolutely incorrect to state that sectarian influence has always been on the side of the Labour Party, because that organization has always kept

itself aloof from any sectarian element as affecting politics.

Mr. SYDNEY SMITH.—It is a pity that the honorable member should raise the question now.

Mr. WATSON.—The honorable member for Macquarie is fully entitled to his opinion, which, I have no doubt, he will freely express at a later stage. The leader of the Opposition, with his capacity for finding ulterior motives in his opponents, stated that the reason for my attitude was to be found in the fact that a man who bore the indorsement of the Protestant Defence League contested the Bland electorate against me on the last occasion. I may say, at once, that I could not desire to meet a more honorable and straightforward man than my opponent. I do not think that he was in the slightest degree responsible for the indorsement he received from the sectarian organization. I admit that it was used on his behalf, but my opponent was in no way to be blamed for that. With regard to the insinuation of the right honorable gentleman as to the narrow majority I secured, I may say that I have had experience in contesting elections against weak men and strong men, and I have only this comment to make upon the result of the election in my constituency: Although I had only a majority of under 1,000, I am quite willing to meet any strong man who likes to take up the cudgels when another occasion arises. There is another feature of the elections to which I wish to refer, and that is the administration of the Electoral Act. I heartily concur in the strictures levelled by the leader of the Opposition against the administration of the Act. When the Act was being passed, I took the opportunity to point out a number of features which, in my view, would work against successful administration. One of these was the provision which would have the effect of concentrating the voting of the electors at the polling places for which they were enrolled. I pointed out that that was a grave error of design; but the Minister was so enamoured of the system, which was, I believe, introduced from South Australia, and recommended by his officers, that he would not see the force of my objections. Apart from any faulty construction of the Act, however, there were most gross errors of administration, approaching almost to the criminal. I know personally of hundreds of men who were disfranchised through the failure of the electoral officers of the Commonwealth to under-

stand their business. Here is a case in point: A provisional list of names intended to constitute a roll was issued by the Electoral Department, and was on exhibition at a post-office for some time. A number of my own acquaintances went to the post-office, found their names on the roll, and went away satisfied that they were eligible to vote. When the complete roll was issued, however, they found that their names were missing, and that, consequently, they were disfranchised. Notices of objection to the inclusion of their names were supposed to have been issued from the department, but in many cases never reached the addressees; whilst, in other instances they came to hand too late to allow the persons affected to substantiate their claims. I contend that this complaint constitutes a grave charge against the administration. There is another case in connexion with the postal vote provision regarding which so much was said during the time the Bill was under discussion. This provision to which I for one was opposed, was rendered absolutely valueless by the failure of the department to issue the forms in sufficient numbers, and in proper time, throughout the electorates. The officers of the department seem to be totally ignorant of the fact that the mails in some country districts are carried only once a week or even as infrequently as once a fortnight. Owing to the imperfect arrangements, it was absolutely impossible for the electors in far distant areas to take advantage of the facilities intended to be offered by the Act. I hope that the Government will consent to hold the inquiry suggested by the leader of the Opposition last evening. We now have an opportunity to consider the provisions of the Act itself and to remedy its defects as far as possible. We should also sheet home to those responsible the blame for the errors which have resulted in disfranchising a large number of electors. The leader of the Opposition referred to the so-called gerrymandering in connexion with the electoral divisions. Like King Charles' head, that subject seems to be always with the right honorable gentleman, since the historical effort he made to arouse public feeling in New South Wales some little time ago.

Mr. SYDNEY SMITH.—He did arouse it.

Mr. WATSON.—Not to the extent expected. I recognise that the majority of the people in New South Wales support the cause of free-trade, and that they would have returned a free-trade majority in any case.

The circumstances connected with the electoral divisions did not arouse public feeling to any great extent.

Mr. DUGALD THOMSON.—It should have done.

Mr. WATSON.—That is a matter of opinion. I am rather doubtful about it. Taking into account the number of persons in my own electorate whom I found to be disfranchised, I made an attempt to arrive at some sort of average which would apply to the State generally. As a result, I am convinced that the rolls even now do not truly represent the distribution of the population. There have been some cases of duplication, whilst in other instances there have been omissions. These errors seriously affect the value of the rolls. It is useless at this stage to enter into an argument as to whether the boundaries of the divisions should have been altered, but I trust that the Government will address themselves to the task of collecting a new roll during the next few months. I understand that the police officers in New South Wales—and possibly in other States—will shortly be making a collection of names for the purposes of the State roll, and if an effort were made at the same time to collect names for the Commonwealth roll, we might afterwards make the necessary redistribution of electorates, with complete information at our disposal.

Mr. JOSEPH COOK.—If a beginning were made now, we should not be much more than ready for the next election.

Mr. WATSON.—I think it would be wise to begin as early as possible, and I trust that the Ministry will take the necessary steps without delay. The present rolls are not by any means complete or correct.

Sir JOHN FORREST.—The people must now apply to have their names enrolled.

Mr. WATSON.—I think the Government would be warranted in making use of the special provision in the Act which enables them at any time by executive act to cause a collection of names to be made for the purposes of a new roll. There is a provision in the Act to that effect, and I trust that, in view of the serious necessity which exists for its exercise, at any rate in New South Wales, the Minister will see the wisdom of bringing it into operation.

Sir JOHN FORREST.—The names of nearly all adults are upon the rolls.

Mr. WATSON.—The figures which are in the possession of the Minister may suggest that they are; but, because of duplications in some cases and of omissions in

others, I assure him that the rolls in New South Wales are not nearly so complete as they ought to be.

Sir JOHN FORREST.—One would think that persons whose names are not already upon the rolls would make application to have them placed there.

Mr. WATSON.—There is another feature of the elections to which I should like to refer, namely, the fiscal question. I share the feeling of gratification which has been expressed by the Prime Minister, that with the last election the issue as between free-trade and protection has disappeared for some time to come.

Mr. JOSEPH COOK.—Not quite that.

Mr. WATSON.—At any rate so far as the tariff is concerned. Practically the fiscal issue is dead, and the surest confirmation of that view is the neglect of the leader of the Opposition to test the feeling of this House upon the subject. That is an admission that the question is dead, at any rate so far as this Parliament is concerned.

Mr. CONROY.—No.

Mr. WATSON.—Of course I am aware that there are still a few enthusiasts, like the honorable and learned member for Werriwa, who would lead a forlorn hope, and who would fight to the death if necessary. But their efforts, courageous as they may be, will, I venture to say, meet with very little encouragement from the people as a whole. As honorable members are aware, I believe in moderate protection. At the same time, as a citizen, and especially as a member of the Labour Party, I welcome the disappearance of the fiscal question for the time being from practical politics. Of course it may be said that any preferential trade proposals which may be adopted will exercise a disturbing influence upon our tariff conditions. But whilst I am as anxious as any one to respond—and respond heartily—to any advances which may be made by the mother land in the direction of preferential trade relations, I am so much of opinion that any alteration which may be effected in our tariff should be of a reciprocal character that I shall never consent to its being re-opened with a view to affording trade preference, unless proposals first come from the mother country. Surely it rests with Great Britain to decide whether or not it is in her interests to make special arrangements with her self-governing colonies in the matter of trade relations. Personally, I believe that any wisely-designed scheme would be in the interests of Great Britain. But it is for her

to say whether that is so or not. I absolutely object to any alteration being made in the tariff in favour of Great Britain, such as has been effected in some of the other self-governing communities, without reciprocity. I think that any arrangement which may be arrived at must be of a mutual character, as I believe the advantage will be mutual.

Mr. CONROY.—Great Britain offers us her markets now.

Mr. WATSON.—She offers us her markets, as she offers them to every other portion of the globe. But the position I am contemplating is one in which we should give and receive some slight preference as against the people of other empires. Personally, I do not think there is any probability of negotiations in this direction being opened up by Great Britain for some time to come. It is very evident that nothing can be done in England until after the general elections, and it is at least doubtful whether so soon after the proposals have been placed before the public there, a revolution in the fiscal policy of the country can be accomplished. Consequently, I think that it will be some time before we are invited to bestow any preference upon goods of British origin.

Mr. JOSEPH COOK.—Does the honorable member think that we shall not be asked to do so within the life of this Parliament for instance?

Mr. WATSON.—Yes. But should the advances come earlier my vote would be cast in favour of any arrangement of a reciprocal character which would be likely to prove mutually advantageous.

Mr. O'MALLEY.—Would the honorable member make it a condition of any arrangement which may be entered into that the English bond-holders should lower the rate of interest upon Australian securities?

Mr. WATSON.—Probably, by our increased prosperity and improved credit, we shall be able to secure that lowering of interest. Another matter which was touched upon by the leader of the Opposition was that of immigration. He drew a graphic picture of what would be possible if we received a large influx of population. With the Prime Minister he shared the anxiety that immigration should be renewed. So far as I am concerned, I heartily sympathize with the idea that we should attract people to these shores in increasing numbers, so long as they are persons with whom we can associate freely, and who, in building up their homes here, would constitute no

menace to our own citizens. I sincerely hope that immigrants of the right class will be attracted to Australia. At the same time, it is the veriest nonsense to talk of advertising Australia in the older land, with a view to inducing population to flow in this direction, until we offer facilities for those who are already here to settle upon our vacant lands. It is absolute nonsense. For years past in New South Wales we have witnessed the spectacle of the sons of our present farmers—as well as men who, as manual labourers or as artisans, have saved a few pounds, and are anxious to establish themselves upon small farms—chasing the land ballots over the country, and spending their substance unavailingly in attempts to obtain land for agricultural purposes. Yet we talk about attracting immigrants to Australia. What nonsense it is to pretend that what we are suffering from is a lack of advertising! No such thing. What we are suffering from is a lack of opportunity for settlement, and the opportunity cannot be provided by this Parliament, but only by beneficent and proper action on the part of the States Legislatures.

Mr. CONROY.—There is not sufficient capital in the community for those who are already here.

Mr. WATSON.—There is sufficient capital. I repeat that in New South Wales there are thousands who are anxious to become farmers, but who are denied the opportunity of doing so.

Mr. CONROY.—We have a Tenure Act which is more than sixty years old.

Mr. WATSON.—That is only one of the various phases of the land question in New South Wales which requires the earnest consideration of every citizen. I am glad to say that the Labour Party in that State have placed the questions of land settlement and water conservation in the very forefront of their programme for the forthcoming election, and I trust that, irrespective of whether or not their candidates are successful, the people will become alive to the necessity for action in that direction. The leader of the Opposition, in the course of his remarks, implied that latterly the failure of immigration was due, in some measure, to the legislation which has been enacted by this Parliament. Surely, he is aware that the decline of immigration commenced at a period long anterior to the opening of the first Commonwealth Parliament! I have in my possession the figures bearing upon this question from 1892 onwards, and these show that there was an excess of departures over

arrivals in the Commonwealth for that year of 4,600. In 1893 the excess was 8,000 odd.

Mr. McWILLIAMS.—Those were not farmers.

Mr. WATSON.—I am now speaking on the question of immigrants generally. The leader of the Opposition referred to the decline in immigration in such a way as to suggest that it was due to legislation which had been enacted by this Parliament. In 1894, 1895, 1896, and 1897 the Commonwealth certainly made some small gains, in that there was an excess of arrivals over departures, but, according to Coghlan, in 1898, 1899, and 1900, there were large losses, by reason of the excess of departures over arrivals. The year 1901 was the first in which the statistics again showed an increase of arrivals over departures, the number being some 1,500 odd. Therefore it is not to be imagined that the failure to attract people to Australia is in any sense due to the laws which we have placed upon our statute-book. The most conclusive reply to that argument is that in the United States there is a much more stringent immigration law than exists in Australia to-day. There, they not only refuse admission to persons who, upon arrival, are found to be under contract, but they also expel any one who within twelve months afterwards is discovered to be under contract.

An HONORABLE MEMBER.—They lock the door when the horse is inside.

Mr. WATSON.—The horses are not inside, because they still continue to go into the United States stable to the extent of some hundreds of thousands a year.

Mr. CONROY.—They are not citizens of the same empire.

Mr. WATSON.—I am quite aware of that. I have no objection to the citizens of Great Britain coming to Australia so long as they are not under contract. The leader of the Opposition declared yesterday that if it were a question of their coming here to take the places of men upon strike he would object. Where, then, was the ground of his opposition to the view which was put forward by the honorable member for Yarra? Surely the two were in absolute agreement! Of course, I am speaking merely of the principle which is involved, and not of the individual instance. In my view the hatters were not displacing other men, and I think that as soon as the law was complied with, it was proper to admit them. At the same time, it seems to me that the right honorable member gave his whole case away when he affirmed his willingness to

go so far as to prevent men coming to Australia to take the places of others who were upon strike. If he is prepared to go to that extent, we have no cause to complain of his attitude. Then again, he said that Australia was suffering from a lack of confidence. The inference to be drawn from his statement, I presume, is that our legislation has scared the capitalist abroad, and that consequently the flotation of Australian loans is prejudiced. My own view is that if by any circumstance we can be prevented from borrowing for some years to come, it will be the best possible thing that can happen to us. Surely it is time that we freed ourselves from the dominance of the money-lender in Europe. Surely it is time that we became more self-reliant. Nevertheless, it is unfair to assume that the fact that money cannot be easily borrowed by the different States in London is due to the legislation of either the Commonwealth or the States Parliaments. British Consols were never at a greater discount than they are to-day. It may be remembered that some time ago it was one of the conditions of the settlement of the Rand troubles that some £30,000,000 should be borrowed, and that the interest should be chargeable against the mines in some form of taxation. This money was to be secured to develop the Transvaal, but most honorable members are aware that when it was proposed to raise the first instalment of £10,000,000, the floating of the loan had to be postponed because of the unpropitious state of the money market. We have already read press cablegrams referring to this question, and I would draw attention to a reference to the subject which appears in a letter from the London correspondent of the *Age* published in yesterday's issue of that journal. The correspondent writes—

Among the various causes which have contributed to the abnormal conditions prevailing in the money market, the heavy borrowing of English municipal bodies is given a prominent place. Whereas the national debt has increased within the last fifteen years from £698,000,000 to £798,000,000, the total of the municipal debt has risen in the same period from £225,000,000 to £440,000,000.

There are, of course, other causes operating upon the money market, but it is sufficient for us to recognise that any community now seeking to float a loan on the London money market finds itself subject to high interest and large discounts before it is able to obtain a penny. What becomes, therefore, of the suggestion put forward by the leader

of the Opposition, who, after all, was merely repeating statements which have been hurled forth from one end of Australia to the other, that this lack of confidence on the part of the British investor is due to the attitude of the Labour Party in Australia? The state of affairs which prevails so far as the money market is concerned is common to the whole world, and I think that indirectly the result will be beneficial to Australia, inasmuch as it will compel us to rely more upon our own resources.

Mr. McWILLIAMS.—But it is rather rough on us when our loans fall due.

Mr. WATSON.—Of course it is; and in that connexion no one regrets the position more than I do. But surely the honorable member does not imply the suggestion—and if he does he cannot substantiate it—that the Labour Party's programme has in any way affected the British money market? I admit that so far as the renewal of our loans is concerned it would be highly beneficial to Australia if it were possible to borrow at a lower rate.

Mr. THOMAS.—But for the war in South Africa we should have been able to borrow at lower rates.

Mr. WATSON.—No doubt that war has had much to do with the creation of the present position. I wish now to say a word or two with respect to the employment of lascars on mail steamers. I must certainly say that I was under the impression that the reason why so few tenders were received for the carriage of our mails was, probably, that the conditions other than those relating to the employment of white crews were such that the companies did not care to comply with them. The Prime Minister, however, has indicated that there was nothing in the conditions apart from the provision as to the non-employment of coloured crews that should have prevented the companies from tendering had they cared to do so. It still seemed to me that it should be possible to arrange for a white-manned mail service. It is a well-known fact that at present the Germans carry their mails to and from Australia on vessels manned by men of their own race. The French do not do so. They employ lascars in the stokeholes of their vessels, and also to a great extent as deck hands. The Germans, however, employ their own people exclusively, and their vessels trade *via* the Suez Canal. Apart from this evidence that German stokers are able to stand the terrors of the Red Sea, we have the fact that the Lund line of vessels, as well as those of

other services trading regularly between Great Britain and Australia, travel by way of the Red Sea.

Mr. SKENE.—Not Lund's line; they take the Cape route.

Mr. WATSON.—I think, on reflection, that the honorable member is right as to Lund's line, but my remark is true of other services.

Mr. KELLY.—What line of steamers other than the German service go through the Red Sea?

Mr. WATSON.—The Orient liners do, and until recently they employed white stokers.

Mr. KELLY.—Not all of them.

Mr. WATSON.—The greater part. At all events the terrors of the Red Sea have no effect so far as the men employed on our war-ships and on some of our mail steamers and other trading vessels are concerned.

Mr. THOMAS.—Why do they not employ coloured stokers on war-ships?

Mr. WATSON.—Because they are not considered to be sufficiently reliable. In

reply to a suggestion made by the honorable member for North Sydney that the British Navy will shortly employ coloured stokers I would say that in my opinion it is unwise for him to confuse lascars seamen, so far as their fighting qualities are concerned, with the Sikhs and the Ghoorkas of the hills. They belonged to a totally different class.

Mr. FOWLER.—A different race altogether.

Mr. WATSON.—Quite so. The hill-men are most decidedly fighting men, while the plainsmen and the others are quite the reverse.

Mr. DEAKIN.—The differences between the various races of India are greater than is any difference that obtains between European races.

Mr. WATSON.—So I gather from what I have read on the subject.

Mr. DEAKIN.—The army does not recruit from certain provinces. Men from certain provinces will not be accepted.

Mr. WATSON.—That is so. Judging from a recent development, I do not think that there should be any difficulty in arranging for the carriage of our mails by boats which travel by way of the Cape. We saw a statement in the press the other day that a steamer—I think it was the *Miltiades*—came here from Liverpool or London in thirty days. That was a very satisfactory performance, and shows that vessels of that class trading round the Cape should be fast enough to compete with steamers carrying mails by the other route. If a

vessel manned by white men can make a voyage in that time, it seems to me that there should be no difficulty in arranging for the carriage of mails by the Cape route. I am glad that the Government have not yet suspended negotiations, and hope that they will be successful in arranging for a service on the lines which have been indicated by the House. I think that the Government are to be congratulated on having protested against the introduction of Chinese into the Transvaal. There is certainly some ground for the reflection of the leader of the Opposition that after all the Government only followed the lead of Mr. Seddon. But I am glad that they saw fit to take the responsibility of protesting in the name of Australia, against the introduction of these undesirables.

Mr. CONROY.—Would the honorable member resent any interference with our business on the part of the British Parliament?

Mr. WATSON.—Yes.

Mr. CONROY.—Then this action should not have been taken.

Mr. WATSON.—The two cases are not on all-fours. We have been granted self-government by the voluntary act of the British Parliament.

Mr. SKENE.—For ourselves.

Mr. WATSON.—Quite so. The British Government profess to be anxious to accord the people of the Transvaal such measures as the people themselves desire; but they have not given any opportunity to the people of the Transvaal to express an opinion on this question. That is the gravamen of the objection that I entertain to the present attitude of the Imperial Government.

Mr. CONROY.—I think that the action taken by the Government was an ignorant and impertinent one.

Mr. WATSON.—The honorable and learned member may think so; but we have, nevertheless, an indirect interest in this question, because, as was recently demonstrated, we must be prepared to shoulder our share of responsibility in the Empire's time of trouble. It appears to me that, when Chinese only are employed as miners in South Africa, there must be a greater probability of trouble than there would be if hundreds of thousands of white men were encouraged to go to the Transvaal, and form a bulwark for the protection of the interests of the Empire in that far distant corner of its territory. I do not wish to debate this question at length, because I

hope to have an opportunity to move the motion, of which I have given notice, calling upon the House to give expression to its opinion on this subject. When that motion is under discussion, I shall be able to put before honorable members some facts which I think will be of interest. I, therefore, content myself now by heartily congratulating the Government for taking the responsibility of the action referred to. We are promised in the Governor-General's Speech that the Conciliation and Arbitration Bill will be at once proceeded with. The Government has already introduced the measure, and I find that it differs but very slightly from the Bill before the last Parliament. I believe that the amendments which have been made, so far as they go, are in the right direction. I heartily sympathize with any effort to make the measure as complete and as comprehensive as possible, and to avert, as far as we can, a repetition of what occurred recently in Newcastle in defiance of the State Act. I am glad to say that that difficulty was only a temporary one, for the men have since returned to work.

Mr. DEAKIN.—Does the honorable member refer to the Teralba case?

Mr. WATSON.—Yes.

Mr. DEAKIN.—Have the men returned to work?

Mr. WATSON.—They have.

Mr. CONROY.—I am sorry that they obeyed the dictates of their leaders.

Mr. WATSON.—That is the usual exclamation of our constitutional rebel, the honorable and learned member for Werriwa. He rebels against anything and everything, and naturally rebels against any one who would have to do with constitutional authority. The Teralba incident was unduly magnified because, as a matter of fact, the employers themselves failed to take advantage of the remedy which the law provides. When the matter was under consideration by the Court they omitted, through their representative, to have the penalties for breach of the award specified in the award itself. There were other penalties which might have been enforced, apart altogether from the Arbitration Act, but the employers failed to take advantage of them. The fault was due not so much to the Act itself as to the failure of the representative of the employers to move the Court to have the penalties fixed. I am not one of those who declare that a law is not a good one because it may occasionally break down. There are many murders committed in this community

which unfortunately remain undetected; there are many breaches of social and statute law which remain for ever undiscovered; but that is no reason why all laws should be repealed, or why the protection of the police should be withdrawn from the community. And so I say that the occasional failure of an Act to carry out the objects sought to be accomplished by it, does not prove that it is unnecessary or incapable of being administered for the protection of the community.

Mr. CONROY.—The Act was passed to prevent injustice.

Mr. WATSON.—It has prevented injustice, and, from the point of view of the community, has done more than that. It takes many injustices to rouse a community and stir it to action, and I assert that the State Act, from the point of view of the community generally, has done more than prevent injustice.

Mr. CONROY.—Why quell the spirit of freedom?

Mr. WATSON.—Freedom can, and frequently does, become license. Although I do not insinuate that the honorable and learned member really desires license, his views, if carried to their logical conclusion, would amount to that. The objections I have to the Bill, as introduced, are those which I had to the Bill introduced last Parliament. The Government have again excluded from its operation all in the employ of the Governments of the States. As we have already debated the question, and shall have another opportunity to discuss it, while it has been fully thrashed out before the country, I shall only say, now, that I trust that the majority of honorable members will vote for the extension of the provisions of the measure to every person in the community who may be suffering an injustice. Every person engaged in an industry should, to my way of thinking, be able to take advantage of the measure to remedy any injustice from which he may be suffering. It was puerile for one of the Melbourne newspapers, this morning, to argue that the men employed by the State are not engaged in an industry. The mere fact that employment is State employment does not prevent it from being employment in an industry. While it is true that municipalities in England and elsewhere carry on many services of an industrial character which are not carried on by municipalities here, I do not suppose that any Government elsewhere conducts more

industrial enterprises than have been undertaken by the various Australian Governments. If the words in the Constitution bear the construction which their plain English meaning gives them, it is idle for the journal in question to argue that the members of the Convention had in their mind the elimination of State employment. If they had wished that, they would surely have specified it. So far as the members of the Labour Party are concerned, we intend to vote for the application of the measure to all public servants within the limits of the Constitution. Of course we are bound by the terms of the Constitution, which allows us to interfere for the prevention only of disputes extending beyond the limits of any one State; but we desire to make the Act as all-embracing as possible. Another matter to which I am glad the Government intend to give early consideration is the selection of the site of the Federal Capital. During the recent elections I was more than ever impressed with the necessity for an immediate settlement of that question. Quite apart from the interests of New South Wales, it seems to me impossible to expect any serious diminution of the jealousy which has existed for many years between the two great cities of the Commonwealth until the Federal Capital is established. The people of Sydney look with jaundiced eyes upon anything emanating from Melbourne, and, judging by what I read in the public press, and the sentiments I occasionally hear expressed, a proportion of the people of Melbourne look in the same unhappy fashion upon anything coming from Sydney.

Mr. McWILLIAMS.—Why should we saddle a burden upon the Australian States because of the jealousy of two cities?

Mr. JOSEPH COOK.—Parliament is not asked to establish the Federal Capital because of the jealousy of Sydney and Melbourne, but because it is a condition in the bond.

Mr. WATSON.—It is a condition of the compact under which the States federated. It was an arrangement between the States by which they must honorably abide. Surely the honorable member for Franklin does not wish to go back upon that contract?

Mr. McWILLIAMS.—I do not see why we should not go to Sydney.

Mr. WATSON.—I myself would vote against the establishment of the capital in Sydney; but the Constitution makes that impossible. The same trouble would arise if the Federal Parliament met in Sydney as arises from its meeting in Melbourne. I

believe it would be a national benefit if we could get rid of this inter-State, or rather inter-city, jealousy, by meeting in neutral territory, and thus freeing ourselves from vitiating influences. I am quite in accord with what has been suggested by the Prime Minister in regard to the probable cost of establishing the Federal Capital. The initial cost should not be very great, and eventually the expense should be nothing at all. I trust, therefore, that an early opportunity will be given to new members to inspect the three sites which still have a chance of being chosen, and that immediately afterwards we shall proceed to fix upon one of those sites. The matter is of the greatest importance to the interests of the whole community. The Prime Minister explained the paragraph in the Governor-General's Speech relating to old-age pensions as conveying a desire to take over from New South Wales and Victoria, by arrangement with those States, their present old-age pension schemes, and to obtain from such other States as might be agreeable authority for the institution, out of their revenues, of Commonwealth old-age pension schemes which would apply to their people. Such a proposal seems to be only playing with the question. While I admit that an arrangement with New South Wales and Victoria should accomplish some little good, in that there are at present in each State a number of persons who are ineligible for pensions because of their temporary residence in the other State, still the arrangement would not touch the question as a whole. Several of the States at the present time do not seem inclined to institute old-age pensions of their own. A majority in favour of such a proposal could not be obtained in their Parliaments, and if they are unwilling to establish funds which would be wholly under their own control, they are not likely to allow the Federal Government to establish funds out of their revenues, which will be wholly under Commonwealth control.

Mr. WILLIS.—Does the honorable member think that any of the States would hand the matter over to the Commonwealth?

Mr. WATSON.—I am not too sanguine about the matter. In Victoria, a majority of the members of the State Parliament seem to view old-age pensions in the light of a charitable dole, which they are making as infinitesimal as possible, perhaps so as not to hurt, to too great an extent, the feelings of those who receive it. I think it is possible, however, to establish an old-age

pension system without waiting for the elimination of the Braddon clause.

Mr. ROBINSON.—How does the honorable member propose to get the necessary money?

Mr. WATSON.—That so far has been the chief ground of objection to the proposal; but there are several ways in which money can be obtained. We could get a certain amount by the imposition of an absentee land tax, and we could get more by the nationalization of the tobacco trade, which is now practically a monopoly, the whole of the manufacture and distribution of tobacco through the Commonwealth being in the hands of the Kronheimer institution.

Mr. TUDOR.—They have sacked all their commercial travellers.

Mr. WATSON.—They have reduced expenses by maintaining only one advertising department, and one set of travellers, and they are rightly carrying on their business on the most economic lines. The consumers of tobacco, however, are not benefiting by the arrangement, because prices remain as they were, notwithstanding that the profits of most of the individual firms which are now combined were very large before the present pooling of interests. It was reported by a Royal Commission which sat in Victoria, and whose members did not belong to the Labour Party, that a profit of £500,000 a year could be made in the tobacco industry without deteriorating the quality of the tobacco sold. If that be so, it seems to me that the nationalization of the tobacco business in Australia would give sufficient to pay for an old-age pension system.

Mr. MAUGER.—The honorable and learned member for Northern Melbourne says that under the Constitution we have no power.

Mr. WATSON.—It is an unfortunate thing for litigants that even the highest legal authorities differ as to the correct interpretation of any law, and therefore I do not give up hope because an eminent lawyer takes that view of the Constitution. Personally, I am willing to make a trial in the direction I have suggested, because I think that we should make an effort to establish a Commonwealth old-age pension system, to provide what will really be pensions, and not merely insulting doles to the persons to whom they are paid. I caught an allusion by the leader of the Opposition to the qualifications of a particular individual, but I was unfortunate in missing his remarks, regarding the appointment of a High Commissioner in London, so that I do not know what view he takes as to the desirability of that step.

My own opinion is that it is most unwise for the Commonwealth to delay making the appointment. The Kyabramese newspapers and their readers may talk of the enormous expense involved, but if, after the appointment of a High Commissioner, the States take the steps which they should take there should be an absolute saving to the community.

MR. DUGALD THOMSON.—If the States would take those steps!

MR. WATSON.—I think that public opinion will compel them to get rid of their Agents-General, just as it is compelling them to do a number of other things, once a High Commissioner is appointed to represent the Commonwealth in London, to transact diplomatic business, and to attend to questions affecting high finance. All that the States will then require will be commercial agents. New South Wales has now three or four such agents in different parts of the world, and I am satisfied that upon the appointment of a High Commissioner, the States can get rid of their Agents-General, and the elaborate staffs connected with the offices of those gentlemen. At present we have absolutely no one in London who can properly voice the opinion of this Parliament or express the views of the Government. This is a most anomalous position. Surely it must be admitted that if there had been a man in London with a full knowledge of the dangers which Australia had escaped in connexion with Chinese immigration, and a knowledge of the whole history of the movement, he could have made weighty representations to the British Government and Parliament upon the question of introducing Chinese to the Transvaal. We know that as the matter stands there is almost a unanimous expression of opinion by the Liberal Party against the introduction of the Chinese into the Transvaal, whilst the hesitancy on the part of the British Ministry betokens some doubt as to the propriety of the course they are following. Then, again, we have a number of trading interests in the South Seas. I notice that a Commission, conjointly representing France and Great Britain, is to be appointed to administer affairs in connexion with the New Hebrides. Australians have large interests in those islands, which should be watched by some one qualified to express the Australian view to the British Government. I have always objected to un-

enlarging the area of our responsibility. I do not think that it is good for ite off more than we can chew,"

and, therefore, I deprecate the continual increase of the territory which we should be called upon to defend in time of trouble. At the same time, I consider that we are not relieved from the necessity of paying full regard to the interests of our trading community. We have already acquired large interests in the islands in the Pacific, and we should have a representative in London who could make clear to His Majesty's Government the views held in Australia. I hope that if it be necessary to introduce a Bill for the purpose of making the necessary appointment, it will be brought forward at an early stage. In any case, I trust that action will be taken in this direction without unnecessary delay. In view of the previous utterances of the Treasurer, I had expected that some intimation would be made regarding the attitude of the Government with respect to what is known as the Canadian banking system. The Treasurer, when making his first financial statement in this House, said he was then considering, and inclined to regard favorably, the adoption of the provisions which have been in operation for many years in Canada, by which 40 per cent. of the reserves of the great financial institutions are required to take the form of Government securities. This would amount to an issue of gold to the Government free of interest. I had hoped that by this time the Treasurer would have arrived at a decision. I think that by means of such legislation the Commonwealth might obtain the control, free of charge, of at least £5,000,000, without inflicting any inquiry upon the financial institutions.

MR. SKENE.—They would lose the interest upon the money.

MR. WATSON.—The banks would not lose interest, because they do not receive any interest upon their reserves of coin and bullion, which amount in the aggregate to over £20,000,000. For many years past, according to *Coghlan*, the average of the reserves held by our banks has been £21,000,000, and if 40 per cent. of these reserves were exchanged for Government securities the reserves would still be intact, and would be just as valuable as at present.

MR. SKENE.—How would that help them in the case of a crisis?

MR. WATSON.—I quite admit that provision must be made for a crisis. The Government would have to retain a certain proportion of the gold which they took over; but the difference between, say, £8,000,000 and £5,000,000 would be quite

sufficient to hold as a reserve. A few years ago we passed through the greatest crisis that ever occurred in Australia, and I would ask the honorable member how far the coin and bullion reserves of the banks were trenced upon during that period. Strange as it may seem, they were not availed of to any large extent. Most Britishers have a very high regard for precedent; they look askance at any principle which has novelty as one of its features. But in this case we have the Canadian experience to guide us. The financial institutions of that country are as prosperous as our own, if not more so.

Mr. O'MALLEY.—They are more prosperous. There has not been a failure in Canada for thirty years.

Mr. WATSON.—The interests of our banking institutions would not be injuriously affected in the slightest degree by the adoption of the measure suggested, and I trust that the Treasurer will favour us with some expression of opinion. Personally, I think it is a matter of the greatest importance as affecting the financial position of the Commonwealth.

Mr. DEAKIN.—It is a very complicated subject.

Mr. WATSON.—I admit that. But what is a complication to a man of the capacity of the Treasurer? We all have the highest respect for him, and personally I think that there is no man in the Commonwealth better fitted to grapple with this problem. I desire to direct attention to what I regard as an omission from the Governor-General's Speech. We have been told that the speech is so comprehensive that it is almost impossible to discover an omission. But it is significant to me that no mention is made of the intention of the Government to provide more adequately for the arming and equipment of our defence forces.

Mr. DEAKIN.—That will be dealt with in the statement regarding the defences.

Mr. WATSON.—Nothing is said in the Governor-General's Speech regarding the defences, except that the Defence Act has been brought into operation. To me that seems to be nothing more than a chip in porridge, and I think that we should have had an expression of opinion upon what I regard as one of the most important subjects that can engage our attention.

Mr. DEAKIN.—The honorable member's wish will be gratified very soon.

Mr. WATSON.—I am very glad to hear it. I hope that the proposals of the Government will be in the direction of adequately equipping our forces, and that special attention will be given to the necessity of laying up a large stock of ammunition. I have little more to add except to say that there has been a great deal of talk lately about alliances, and last evening the leader of the Opposition was good enough to indicate that he was prepared to receive the advances of any amorously-inclined suitor. So far as the Labour Party are concerned, we regard it as useless to think of taking a share of the responsibility of Government unless we have in this Chamber a majority of members who are prepared to abide by the programme which we have put before the country. I know that we share that position with the other parties in this House, and that is where the difficulty arises in connexion with the suggested alliance. Each party went to the country with a different programme, and it would be impossible without sacrificing some of the items in such programmes, to arrange a compromise that would be in the interests of the country, or fair to the parties. Therefore, the view taken by the Prime Minister seems to me to be the correct one. We must allow matters to develop until we are in a position to find out how honorable members feel upon those great matters of public policy regarding which parties are at variance. So far as we as a party are concerned, our programme has the merit, as has been admitted by the leader of the Opposition, of always having been presented to the country in plain black and white. It is well known. The right honorable gentleman did us the credit, in one of those kaleidoscopic changes for which he is remarkable, of saying that we are always earnest in carrying out our programme. It was only the other day, however, at a meeting of free-traders, that he was not at all complimentary to the Labour Party. Our programme is well known, and whatever comes or goes we are determined to carry it through if an opportunity presents itself. We have been encouraged in the attitude we have so far taken up by the increased measure of support we received when we went to the people on the last occasion. No other party can make a similar claim. In the belief that in each succeeding year our principles will find more ready acceptance at the hands of the people, that our aims will become more clearly known, and that our attitude and individual actions will be less subject to suspicion on the part of those who have not

taken the trouble to understand us, I have no fear that the Labour Party will not be able to hold its own.

Mr. EWING (Richmond).—I think that I must voice the opinion of a considerable number of honorable members when I say that it would be well for us to cease making references to the recent elections, to the causes which operated to bring about certain results in certain cases, and the reasons why one party succeeded and another failed. All these matters must rest upon one basis, namely, the intelligence of the community. If it were possible for the Government or the Opposition to cause the free people of a self-governing country to vote for reasons other than those which should actuate them, I am inclined to believe that improper influences might be brought to bear. As matters stand, however, we all go forth to the electors with the idea of being returned, and the end we have in view is the good of the country. No honorable member here believes that it would be a good thing for the country if he were not in this Chamber. Possibly honorable members on this side of the House would be right in entertaining that view. We know that the election period is not one during which educative influences should be brought to bear by candidates. No sensible man tries to educate the electors at such a time. He has three years in which to do that. At the time when he is seeking their suffrages, his main efforts are directed to consolidating his position, and making it secure in their regard. We know that every election brings with it keen disappointment to candidates, owing to their finding themselves abandoned by people whom they think should support them. That falls to the lot of every man. Every successful candidate can, however, indulge in a kind of gruesome triumph, and reflect that, whatever his troubles and humiliations may have been, he is in the place of the elect, and the other candidate is not. Every man who is on top is prepared to make up a quarrel, and as I am on top on this occasion I am prepared to bury the hatchet. There has been some talk of an alliance, but I am not aware of any proposal of that sort. I do not know who is to embrace the girl, to use the simile of the right honorable the leader of the Opposition—

“From pleasure to pleasure youth wanders along,
With his arm full of girl and his heart full of song.”

Not, however, from pleasure to pleasure, but from office to office. But whatever alliance may be made, I hope that more regard will be paid to the good of the country than to the spoils of office.

Mr. CONROY.—One rejoices in office, because it enables him to give effect to his own views.

Mr. EWING.—Office to a man of good character and patriotic feeling is useful only because of the good which it enables him to accomplish. No decent man would seek office merely for the sake of office. He may be driven by poverty to sell his ability to a party, but the real value of office to any man of high character—and I take it that there are many such here—is that it enables him to render useful service to the people who have elected him. I now come to the bill of fare which has been placed before us by the Government. We all grant that it is an acceptable bill of fare. It represents the hopes, the aspirations, and the desires of the Government. It is a bill of fare which may be viewed in this way: that if one does not like the mutton he can take the mustard. In this bill of fare, as in most other menus, there are some matters which are of more importance than others. In my judgment every item which is mentioned therein is of minor importance compared with the question of our future trade relations with the British Empire.

Mr. CONROY.—Then we are to do nothing for twenty or thirty years?

Mr. EWING.—I am sure that the honorable and learned member for Werriwa in that period will do nothing that is right. Every honorable member who has had parliamentary experience for a decade or two is aware that most of the matters which agitate any legislature—the matters which separate parties from each other—are generally a sort of nine days' wonder. But, now and again in the history of a nation some great subject is brought forward—as was the case in these States when Federal union was proposed—which causes men to recognise that they have higher obligations than those of their allegiance to any party. In my opinion the question of preferential trade relations with the Empire is one of those matters. In this connexion I address myself to the remnant upon the other side of the Chamber with feelings of sorrow rather than of anger.

Mr. JOSEPH COOK.—How many honorable members are upon the opposite side?

Mr. EWING.—With Ministerial supporters it is a question of quality

rather than of numbers. Quality, after all, is the factor which decides the situation. I wish now to address myself to some honorable members opposite who, upon rare occasions, have exhibited, at any rate, spasms of intelligence. To me it was painful to find—and I do not say this with any idea of being unjust to them—that they have abandoned every political principle to which I thought they would steadfastly adhere. They have abandoned every profession which they have been making during the past ten or twenty years in the public life of Australia and of their own State. Let me endeavour to prove that statement. The honorable member for Paramatta knows that the great charge which was formerly levelled against the protectionists of New South Wales was that they were not loyal to the Empire. The policy of the free-traders, we were told, was ever that of loyalty to the Empire at all costs. On the other hand, we who were parties to imposing taxation upon the goods of the Empire were never presumed to be really in touch with the great British people. Consequently, the first plank in the free-trade platform was the stability of the Empire. Not only was it the first plank in their platform, but it was placed in the very forefront of every pamphlet and placard which they circulated. Their next proclamation was that the practice of free-trade, by bringing nations closer together, evoked all that was good beneath the national cuticle. The contention, put briefly, was that free-trade would bring the whole world into a state of peace and harmony. Every honorable member is aware of the fact that the basis—and I grant that it is a strong basis—of free-trade was alleged to be that it would bring the different nations together and that the interchange of goods making every part of the world to some extent dependent upon some other part would exercise a humanizing influence. Seeing that free-trade was to accomplish so much for nations separated by every conceivable barrier, one was naturally disappointed to find that it, in the opinion of the free-trader, would achieve so little for the British people. If there be anything in the professions which we hear from honorable members opposite, surely some of the beneficent results should be experienced by our own brethren!

Mr. JOSEPH COOK.—How much of the sugar duty will the honorable member surrender in the interests of the Empire?

Mr. EWING.—At the time of the Federal referendum I declared that if the sugar

industry stood in the way of the union of the Australian people, I would still decide for union, and I take up a similar position now in regard to preferential trade.

Mr. JOSEPH COOK.—Will the honorable member surrender £3 per ton of the present duty upon sugar for the sake of the Empire?

Mr. EWING.—The sugar industry is not now under consideration. We can deal with these matters only upon broad principles. The sugar duty is quite safe under the control of this Parliament. The honorable member for North Sydney said last evening that the same arguments are being used in Great Britain now as were advanced sixty years ago. That is a fact. It was said that if Great Britain adopted a free-trade policy the whole of the world would follow her example.

Mr. CONROY.—That was never stated in Parliament, and the honorable member cannot show me a word to that effect in the debates.

Mr. EWING.—The honorable and learned member for Werriwa knows perfectly well that it is to be found in the reports of Cobden's and Bright's speeches. For sixty years Great Britain has pursued free trade, and yet the whole world is more united against her to-day as regards that policy than it was in the forties. Similarly for forty years with one slight lapse during the term of office of Sir George Dibbs, the policy adopted by New South Wales has been in the direction of free-trade. Yet not one foreign nation has ever made the slightest trade concession to that State. But perhaps these two historical facts are of no moment to honorable members opposite. Let us take a further fact or two. Although they appealed to the people as free-traders, there is not a single individual in this Parliament who is fatuous enough to submit a proposal in favour of free imports, and even if there were, there is not one member who is imbecile enough to vote for it. Therefore the whole appeal in New South Wales, in so far as it involved the fiscal issue, was a bogus appeal, and the people should have known it. I now propose to deal with another aspect of this matter. For election purposes, some honorable members declared that they were free-traders. Now, however, we are given to understand that they are revenue tariff-ists. As the honorable member for Bland pointed out, if the leader of the Opposition were to submit a motion to this House in

favour of a revenue tariff, he would not secure a score of supporters. The fiscal issue has evaporated. Some honorable members may have been returned to deal primarily with the question of preferential trade, but a very large majority have undoubtedly been returned to secure fiscal peace.

Mr. POYNTON.—The honorable member knows that the New South Wales supporters of the Government nearly evaporated also.

Mr. JOSEPH COOK.—What does the honorable member propose in regard to preferential trade?

Mr. EWING.—In due course I may venture to express an opinion upon matters of detail. I propose to-day to deal with general principles. Great Britain is a self-governing country. It is inhabited by a people whom we are accustomed to regard as fairly able and intelligent. It possesses a House of Commons, and a House of Lords. These Houses of legislature, with a full knowledge of the facts of free-trade, with a full appreciation of what that policy can accomplish, have arrived at the conclusion that the existing state of things in Great Britain is unsatisfactory. Under the circumstances, what need is there for us to turn aside to discuss how many ships were built or how many machines were made within a certain period? I fall back upon the general principle that the only way by which we can gauge the opinion of a country is through the medium of its elected representatives. The House of Commons by a majority, and the House of Lords, by a majority of two to one, have decided that the conditions which at present obtain in regard to British trade are absolutely unjust. Honorable members may tell me that the case has not been fairly put before the people.

Mr. SYDNEY SMITH.—There would be a very different result then.

Mr. EWING.—They know more about Britain apparently than do the people of that country themselves. The men who placed the case for free-trade before the people of Britain were men like Morley, Campbell-Bannerman, and Asquith, and in the House of Lords great minds like those of the Duke of Devonshire and Lord Rosebery. They were surely competent to state their case. The very prestige of their names alone satisfies us that their speeches were masterly exhibitions of argument and rhetoric. Still, honorable members oppose have now absolutely the audacity to

take up the case from the British standpoint and to attempt to prove that the British Parliament is wrong. They say that if the meaner mind of Chamberlain, the poorer intellect of Rosebery, and the lesser ability of Asquith were set aside, and free play given to the exercise of the glorious intellects that sit for ever on your left, Mr. Speaker, the verdict would be different.

Mr. SYDNEY SMITH.—The honorable member is taking up the other side himself.

Mr. EWING.—Does it not appear reasonable to suppose that the British people know their own business?

Mr. DUGALD THOMSON.—They show that they do.

Mr. EWING.—My honorable friend, the member for North Sydney, pointed out that the Board of Trade cannot make out returns. It may be so, and the honorable member knows that anything I say of him will be said with the respect and veneration he has earned in this House.

Mr. DUGALD THOMSON.—The honorable member cannot defend that return.

Mr. EWING.—I do more than defend it—I quote the authority of the honorable member for Melbourne Ports in its favour. However, nothing will satisfy some honorable members. I have pointed out that the British people are a self-governing people, and in the centre of the Empire they have determined, in so far as it has been possible for them to determine, that free-trade is unsatisfactory. Let us look to the example of the men of Canada, the home of the "Lady of Snows." They are an intelligent people who have successfully developed a great country not unlike our own, and they have come to the same conclusion. The New Zealanders have come to the same conclusion. The people of the South African Confederation, if I may call it so, and the people even of British Guiana, have come to the same conclusion as that arrived at by the Parliament of the mother country. In every part of the British Empire in which there are free institutions, or, as in British Guiana, anything approaching them, there is the desire that the sons of the Empire should trade fairly within the Empire, and allow the foreigner to look after himself. The only people who appear to be sitting temporarily in the britching—to use the language of the Minister for Home Affairs—are our honorable friends opposite. In the whole of the civilized British world they are almost alone; they remind one of a few solitary penguins. They sit there and claim for

themselves a higher order of intelligence than the rest of the people of the British world; but they absolutely refuse to give expression to any principle for our guidance in the solution of this difficult problem.

An HONORABLE MEMBER.—How many were returned in New South Wales to support the honorable member's views upon this question?

Mr. EWING.—If a referendum were taken in New South Wales without any ulterior object in view, nine men out of every ten would be found voting for preferential trade. Honorable members opposite must know that.

Mr. DUGALD THOMSON.—I know that the honorable member would have to reverse that statement.

Mr. EWING.—I have already said that I shall not deal with the question of free-trade except in a general way. I think I have said sufficient to establish the general principle. One reason why I do not propose to deal with the question of free-trade is that there never has been any.

Mr. JOSEPH COOK.—Is that so?

Mr. EWING.—It may be, like a large number of other things worth knowing, information to the honorable member for Parramatta, but that which has been spoken of as free-trade never got beyond the swaddling clothes of free imports.

Mr. McDONALD.—Did we ever have true protection?

Mr. JOSEPH COOK.—My word; he got £6 per ton upon sugar, and it is making him very "cocky."

Mr. EWING.—Is it not odd that some honorable members, in dealing with these great national matters, always imagine that the mean question of a man's personal interest must influence him? I have no more personal interest in this matter than has the honorable member for Parramatta. If we are to have interjections, let us have some more in keeping with the tone of this debate. As I have endeavoured to explain to honorable members opposite, we know that free-trade, which has resulted only in free imports, was ushered in with two trumpet sounds, one a reference to the prosperity and advancement of England, and the example which England under a free-trade system would set to the rest of the world; and the other the resulting thankfulness of the nations to the harbinger of the great new policy. Honorable members are doubtless aware of these fundamental facts. The adoption of the new policy was first of all to bring about a

state of prosperity for England, so great, that every nation must copy her example.

Mr. JOSEPH COOK.—Who said that?

Mr. EWING.—The whole of the free importers said so.

Mr. DEAKIN.—Cobden especially.

Mr. EWING.—Surely it is not necessary at this stage that I should revert to the prophetic claims made by Cobden and Bright. Every one knows that it was claimed that the prosperity of England would be, and that it was also claimed that all other nations were to be so gratified by her action and so thankful that they would be at peace with her for ever. The honorable member for Melbourne Ports, after due consideration of the figures supplied by the Board of Trade, made certain statements which I believe to be accurate. What was the result of the example set by England so far as other nations were concerned? Russia was so pathetically gratified with the result of the adoption of free-trade by England that she put on a duty of 131 per cent. The argument used was that the example of England would be so great that the other nations must copy her; but honorable members are now aware, in the face of the facts, that the other nations have not copied her.

Mr. DUGALD THOMSON.—Does the honorable member mean to say that there is protection amounting to 131 per cent. in Russia?

Mr. EWING.—Whether the amount of protection be 130 per cent., or 131 per cent., a little more or a little less, makes no difference. It may amount to any "x" quantity the honorable member pleases; but the result is the same, and proves at least that the great example of England has had no effect whatever upon the other nations of the world. The people of the United States of America were so enthusiastically thankful that they put on a duty of 72 per cent. Austria-Hungary was moderately grateful, and imposed a duty of 33 per cent. France, sanguine and pleased with Great Britain, imposed a duty of 30 per cent.; Italy, 21 per cent; and Germany 25 per cent., all of them being greatly obliged. One honorable member opposite had the—I shall not say political rectitude, because perhaps, that phrase would not apply—but the political reasonableness to grant that the prophecies with regard to the example of England being copied by other nations have not been realized.

Mr. CONROY.—What was Bastiat's prophecy? Speaking in 1846 he prophesied

that as a result of free-trade the bulk of the trade of the world would belong to England. That is an undoubted fact.

Mr. EWING.—The prophecy was that free-trade would bring about peace between the nations, and that their friendship with Great Britain would be eternal. Well, within the last year or two we have gone through a national crisis, and the civilized world, so far as one can gather, was not very friendly to Great Britain. So again the free-trade prophecy failed. It failed to set an example, and it failed in securing any friends for the nation which initiated it.

Mr. WILKS.—That was because of commercial jealousy at the success of England.

Mr. EWING.—So far as New South Wales is concerned, honorable members are aware that in that State we have had the experience of forty or fifty years of free-trade, and in addition the literature, the enlightened example, and the high-class exposition of the policy by honorable members opposite. The rest of the world has the advantage not only of New South Wales' precept, but of New South Wales' example, and yet we have never had any of the nations making the slightest concession to that State, and we never will. I direct the attention and the intelligence, feeble though it may be, of honorable members opposite to the experience of their own country. I presume that, although their knowledge of the history of the world may not be great, they have at least a glimmering of what Australia is. Australia, as honorable members should know, is a great producing country, and depends upon its primary industries of wheat, wool, coal, meat, cheese, butter, and such like. The main consideration for the primary producer in Australia is the same as that for the primary producer elsewhere. It may be important that he should be able to find fields fertile enough to give him a good return for his labour, but the main question, after all, is where he will sell his produce. That is the question for the primary producer. He cannot sell it in Australia, because Australia cannot consume it. He must sell it somewhere, and the question is, where is he to sell it? The honorable and learned member for Werriwa made some reference just now to Bastiat. What the Australian producer requires to know is not what Bastiat said, but where he is to sell his butter. Honorable members will say that he can sell it in the markets of the world, but Germany says,

"You must not send 1 cwt. of Australian butter into Germany unless you pay us 8s. 2d." France says, "You must pay us 10s. 4d.," and the people of the United States say, "You must pay us 28s. per cwt."

An HONORABLE MEMBER.—They are all exporters of the article.

Mr. EWING.—There is not a market of the world open to the Australian producer but the British market. Honorable members must be aware of that. The other markets of the world are shut against Australian products. If we take cheese, for example, a duty of 10s. 2d. per cwt. is imposed by Germany, 6s. 1d. by France, and 37s. 6d. by the United States. On our wheat we have to pay a duty of 11½d. per bushel before it can go into Germany, a duty of 1s. 6d. per bushel before it may enter France, and a duty of 7½d. per bushel before it will be admitted into the United States of America.

Mr. LEE.—But the United States of America export wheat to England.

Mr. EWING.—I am not dealing with that phase of the question; I am dealing with the attitude of the other nations of the world to free-trade New South Wales as she was, and to free-trade Britain as she is. I contend that they will not take one particle of our products if they can be produced in their own land. True, Germany and France take our wool, but that is merely because they cannot produce enough to satisfy their own manufacturing wants, and it is taken because it cannot be done without for the same reason that they are prepared to take our hides. These are the facts.

Mr. LEE.—But what about our wool?

Mr. EWING.—I have tried to explain the position in regard to that product. It is taken because it cannot be done without. I am endeavouring to show that the policy of every nation of the world is "the shut door" against everything that Great Britain or Australia produces; but they naturally do not shut their doors to a commodity which they require. It is for that reason that they take our wool and our hides. With regard to fresh meat, which Australia exports, Germany imposes duties of seven-eighths of a penny and proposed—I am not sure of the result—2½d per lb., and prohibits the importation of tinned meat, and so on with almost all nations. As a matter of fact, the subsidized vessels are not permitted to carry Australian produce which is likely to come into competition with the products of the country by which they are subsidized.

Mr. POYNTON.—Does not the foreigner pay the duty?

Mr. EWING.—I shall deal with that point in a moment. Each and every one of our products must be disposed of in some way. The supply is greater than the local demand. Honorable members of the Opposition declare that we should dispose of our products in the markets of the world. I reply that, as they well know, the world will not accept them. What then becomes of their argument? Honorable members ask me about Cobden and Adam Smith, Ricardo and Leveley; but the writings of those authorities have no more to do with this question than have the theories of Confucius or Zoroaster. Not one of them contemplated preferential trade or free imports only for British goods. The next question which naturally arises is, whether the English market is worth possessing. On this subject I shall put a few figures before the House, because, in due time, they will appear in *Hansard*, and some honorable members will thus be able to obtain some information which, it seems, Providence has not yet vouchsafed to them. The English market for butter is worth £20,000,000 per annum; for cheese, £6,000,000; wheat and flour, £33,000,000; bacon, £13,500,000; other meats, £26,000,000; eggs, £6,308,000; and poultry, £1,059,000.

Mr. JOSEPH COOK.—Where has the honorable member obtained his figures?

Mr. EWING.—The honorable member knows that I would not quote them if they were incorrect. I used them at the recent election—they are vouched for by the Government Statist. We, the people of a great island continent producing all these articles, require a market for them, and Great Britain, knowing that, comes forward and says to us—"We are prepared to negotiate with our sons of the Empire—we are prepared to assist in the development of Canada, New Zealand, Australia, and South Africa by trading with our own flesh and blood." And yet some honorable members say that we should make no response to that offer. Apart altogether from considerations of flesh and blood, and viewing the matter simply from the stand-point of common-sense—and there must be a modicum of common-sense in honorable members opposite, or they would not have been returned—there is not a man either inside or outside this Parliament who, being a producer, would refuse to negotiate for a preference. That being so, I contend that it is right for us to accept preferential

trade, and so promote the good of the nation. The world is increasing and progressing upon lines of practical science and of general development. The honorable and learned member for Illawarra is a representative of one of the butter districts of New South Wales, and having in him one honorable member of the Opposition who must possess some idea of what I am seeking to impress upon the House, I shall state the case for the butter industry. What is happening in regard to that industry? We know, first of all, that there is in England a butter market worth £20,000,000 per annum. We also know that in Siberia, Finland, Lapland, the Argentine, and Canada there are two great forces at work—one, the development of the country by railways and other cheap means of communication; the other the development of industry by practical science, as, for example, by the use of the De Laval separator, and of freezing chambers in connexion with the butter industry. The butter production of the world is hugely increasing, and I make no idle prophecy when I declare that before honorable members opposite get into office New South Wales will export at least £10,000,000 worth per annum. But what is happening? We have an enormous market for butter in Great Britain, and every particle of the rapidly-increasing surplus output of butter in all parts of the world is being shipped straightway to that market. Our dairymen have therefore to determine whether they will accept a preference in that market—whether they will accept from Britain the right to go into that market under circumstances disadvantageous to the foreigner, or whether they will fight the foreigner in it.

Mr. LEE.—I suppose that with preferential trade Denmark will have to put up the shutters?

Mr. EWING.—We shall have a preference over Denmark, but the remark is not pertinent to the issue. We are both familiar with the butter industry of Denmark. It has been the honorable member's business as well as my own—his professionally, and mine politically—to become familiar with it. But the fact remains that an increasingly enormous quantity of butter is being produced, and that the only open market for it is to be found in Great Britain. This means a deadly struggle for Australian butter in the British market.

Mr. FULLER.—If the honorable member would assist in removing the duties which

our dairymen have to pay he would improve their position.

Mr. EWING.—What duties? There is no duty, for example, on separators.

Mr. FULLER.—The farmers of Camden and other districts were practically ruined by the fodder duties.

Mr. EWING.—It was drought that was the root of the trouble. Any man who has a proper grip of the industry, and a proper appreciation for the fact that the British is the only market in which our goods can be sold, must say—"Why allow the market to be ruled by the foreigner?" If he would deal fairly with us in the markets of the world, the position would be different. If the Germans and the French would take our butter, we should have "a fair go." But they will not do so. Their markets are closed against our own as well as British products, and it is our business to negotiate with Great Britain, and to negotiate with our hands free and not tied behind our backs. Mr. Balfour and Mr. Chamberlain recognised this fact.

Mr. LEE.—Our hands are not tied behind our backs.

Mr. EWING.—The whole trend of my argument is not in relation to the facts as they were, but with regard to the present tendencies. Here we have a great undeveloped territory, capable of producing butter and other articles, and the question arises—"Where are we to dispose of our goods?" The foreigner will not take them from us, and yet some honorable members would sit idly by and allow him to deprive us of the British market.

Mr. FULLER.—Does the honorable member think that a duty of 5 per cent. on butter would secure the British market to us? That is what is proposed.

Mr. EWING.—At this stage we have nothing to do with that question. We are now simply claiming the right to carry on negotiations in relation to the trade of the British Empire; out of those negotiations may spring a policy which will in due course be laid before us. If honorable members believe that it is right and proper to encourage trade between the various parts of the Empire, why should they not vote for preferential trade? If they think that our trade with Great Britain should not be lost for ever, why should they not vote accordingly? We are not asking now for preferential duties of 5 per cent., or of 135 per cent.

Mr. CONROY.—Does the honorable member believe in preferences? If he does I am willing now to swap a piece of bad land for a piece of good land.

Mr. EWING.—One would hardly believe it possible to hear such statements in a Parliament of the twentieth century. At present we are simply asked to recognise the general principle involved. Do honorable members believe in the general principle of trade between sons of the Empire?

Mr. FULLER.—Of course, we do; but honorable members sitting behind the Government have for years been endeavouring to put up barriers against that trade.

Mr. EWING.—I will deal with that interjection a little later on. The honorable member for North Sydney spoke about retaliation. It is absurd to talk about retaliation when other countries impose all the duties they can carry against us.

Mr. DUGALD THOMSON.—What I referred to was the surcharge—the differential rate.

Mr. EWING.—When honorable members speak of retaliation, I would ask why should other nations retaliate? If it be true, as honorable members assert, that protective duties fall only on the nation levying them, what can there be to retaliate against?

Mr. JOSEPH COOK.—We give it up.

Mr. EWING.—There can be no reply. Our Australian communities are perfectly entitled to govern themselves, and there is nothing in the law of nations to prevent our doing exactly what other nations are doing. France and Germany have a system of this kind in force in connexion with their own colonies. The same remark is true of other nations, and surely they can not find fault with the people of Australia for following their example.

Mr. FULLER.—And what splendid colonies they have developed under that system!

Mr. EWING.—Is it not absolutely unjust to make such a statement? What have we been able to do with New Guinea? Great Britain a century or more ago practically annexed every part of the world worth having, but, nevertheless, we have not had time to develop a nation in New Guinea. The honorable and learned member is altogether too intelligent to be unable to recognise the basic fact. I promised an honorable member that I would deal with the question of "who pays the duty." If it be true, as the Opposition asserts, that we shall have to bear these duties, the barriers

proposed to be raised against other nations will be a matter of no concern to the foreigner, and therefore they will not retaliate. It is unnecessary to say more of this aspect of the case, and I shall therefore pass on to one more question which I think deserves some little consideration. I have already spoken at greater length than I proposed at the outset to do, but honorable members have been so friendly and at the same time so incoherent in their interjections that I have been carried further than I intended to go. Everyone knows what a great advantage preferential trade with South Africa would be to Australia. Here we are producing butter, timber, fruit, and biscuits, and capable of producing them in unlimited quantities. Lying adjacent to us is a country which is prepared to take these goods. A mining community is a lavish community. It will have the best that can be obtained. South Africa is waiting for goods of this description. It is inconceivable to me that any man should refuse to negotiate for preferential trade with a country of that description. If we asked any storekeeper whether he would elect to trade within an area where a preference to his goods was given, or in an area where no preference was given, there could be no doubt as to what his answer would be. Numbers of the storekeepers of this country are reputable people, though many of them through reading pernicious literature, and through their minds having become warped by early association, are free-traders. But still there is a basic element of good sense in them. If we were to ask any storekeeper whether a preference of even 1 per cent., or 2 per cent., being given him inside area A, and no preference inside area B, with which of those areas he would prefer to trade, he would say at once that he preferred to trade in the area where a preference was given. Of course, a storekeeper wants to make money. There are two things that a good many people want. One is money, and the other is sense. But any man of sense who wants to make money would prefer to trade in the country where a preference was given to his commodities. I see the honorable member for Riverina opposite. He knows perfectly well that, at the time when New South Wales was free-trade, and Victoria was protectionist, there was a feeling of irritation along the borders of those two States. The honorable member has seen evidence of that irritation over and over again. It was

complained on the New South Wales side that the policy of many New South Wales electors was not so much protection as retaliation. As a man of business who is identified with trade and commerce in that part of the country, the honorable member knows that every person who had sheep or cattle or produce of any description on the northern side of the Murray during that period, was seriously hampered by the Customs duties imposed by Victoria. If it were true that the imposition of duties by the one State upon the goods of the other had the effect of hampering the trade of that State, surely it is equally true that the imposition of duties by foreigners upon our produce must have a similar effect. If the countries within the British Empire imposed duties upon the goods of foreign countries that at present hamper our trade, they would have something to give away when they came to negotiate with those countries. Take another aspect of the case. The free-trade party in Great Britain says the people of the country levying the duty pay the whole of it, but let any other country endeavour to interfere with the sphere of influence of Great Britain in any other part of the world, and what happens? They will fight to their last man to maintain that sphere of influence. What is the difficulty at the present time with Russia in the East? There is a fight for what is called the "open door." Much of the public feeling amongst British people against Russia is founded upon the fact that they desire to keep the door open for trade with the East, and they know perfectly well that if Russia puts on duties against British trade, those duties must restrict that trade. And so it is with the countries that impose duties against British trade within their own borders. Let me point out one other aspect of the case, and I shall have completed my remarks. The free-trade party say that protectionists desire to foster their own industries, and therefore they urge that as protectionists we ought to have nothing to do with the policy of preferential trade. I request them to contemplate a small fact in history. Several of the Australian States have adopted protection; they have fought for their native industries. Closely associated with this policy are the names of statesmen like the right honorable member for Adelaide, the Prime Minister, the Minister for Home Affairs, and the Treasurer, and many others. They have fought for protection in their own States. But it is a fact that nearly every one of the protectionist

leaders was a federationist almost at any price. In New South Wales the protectionist party was the bulwark of federation, and nearly the whole of the opposition to federation came from the free-trade party.

Mr. G. B. EDWARDS.—Certainly not.

Mr. EWING.—There may have been one or two exceptions. I do not wish to be ungenerous towards such gentlemen as the honorable member for South Sydney. He and others, although they were free-traders, said they had a higher duty to perform to the whole of Australia. They recognized that Australia could never fulfil her destiny if the States remained separated entities. I admit that a number of free-traders like the honorable member rose above their fiscal principles. He was one of those who proved to be greater than many men in his party, and his feeling of responsibility to the State overruled every minor consideration. He and some others stepped out from the free-trade party.

Mr. JOHNSON.—And were caught in a trap.

Mr. EWING.—In a few years we shall look back upon those who opposed the union of these States with much the same feeling that the people of America look back upon those who more than a century ago opposed the union of the United States. When honorable members opposite say that protectionists are not in earnest with reference to preferential trade I remind them that almost every leading protectionist in Australia was prepared to break down the fiscal barriers between the States in order to bring about the federation of Australia. I admit, again, that they were helped by the more intelligent of the free-traders, amongst whom I am pleased to admit that the honorable and learned member for Werriwa was one. Honorable members will admit that on that occasion the protectionists did effectually secure free-trade within the confines of Australia. Is it not, then, reasonable to suppose that they are equally desirous of securing preferential trade within the whole area of the British Empire? That is the basis of my appeal to honorable members when I ask them to forget their provincialism. I know that it takes a man of character, of some individuality and of strength of purpose, to break away from things to which he has long been accustomed—from the ties of party for example—and to recognise new conditions. But

before very long the free-trade party will finally abandon its present policy. I am satisfied that before long almost every man in this country who is not unduly wedded to old associations, and possibly influenced by feelings of retaliation, will realize the necessity of doing his duty in the interests of this great Commonwealth and of the noble Empire of which it is a member.

Mr. POYNTON (Grey).—We have just heard a very heated discussion of the question of preferential trade, and when we have regard to recent events, I think we ought to congratulate the honorable member who last addressed the House on his vigour after his recent battle. We can remember the time when he and a number of others of the rank and file went forth under the protectionist flag, and under the direction of two Federal leaders; and I think I am correct in saying that he is the only survivor of that band, and may, therefore, be congratulated on his return.

Mr. DEAKIN.—By a huge majority.

Mr. POYNTON.—But the honorable member is the only one of the band returned, and he impressed me with the idea that he "doth protest too much." He led me to believe during the whole time he was speaking, that free-trade ideas were running through his mind, but that he was trying to convince, not only the House, but himself, that protection is the best thing for the people generally. He reminds me of the gentleman who on one occasion said he had a head which was not shaped as is the usual protectionist head, and I am inclined to think that, as he has changed his fiscal policy, an alteration in the shape of his head is taking place in his evolution as a protectionist. I want to refer, though not at great length, to some of the points raised by the fiscal issue. I admit, straight away, that the proposals of the Government are of a negative kind—that they are an unknown quantity—and that until we have the measure before us in something like a concrete form, it will be difficult to forecast what we are to be called upon to consider. I regret very much that in the programme of the Federal Government old-age pensions should be made the means of mocking the deserving poor. I venture to submit that the inclusion of this proposal in the programme is the result of the majorities which supported the Government after the Maitland speech. The Government knew at that time that such pensions were rendered impossible under the Constitution when

they took the stand that they could not impose direct taxation. The old-age pensions proposal is placed in the programme of the Government as a sop to a large number of people who believed that in the opinion of Ministers it was possible to bring about this much-desired reform. A period of two and a half years has gone by, and we find the Prime Minister, in his speech at Ballarat, admitting that so long as the Braddon section remains, old-age pensions will have to be postponed. The Prime Minister admitted, at Ballarat, what was contended during the last election, but what was denied by the Government, namely, that while they adhered to the position of not imposing direct taxation, old-age pensions were impossible, in view of the fact that under the circumstances four times the amount of money required would have to be raised through the Customs House. We have now a nebulous kind of proposal in the programme of the Government—an expression of hope that on the States putting their finances in order we may be able to provide old-age pensions.

Mr. DUGALD THOMSON.—That is a placard.

Mr. POYNTON.—It is neither more nor less than a placard. The deserving poor of Australia are being deceived by a proposal which is a mockery, a sham, a delusion.

Mr. THOMAS.—It depends on this House whether the proposal is to be a mockery.

Mr. SYDNEY SMITH.—The Prime Minister admits that it is a mockery.

Mr. DEAKIN.—What I say is, that that is the only practical way.

Mr. THOMAS.—We need not allow the proposal to be a mockery.

Mr. POYNTON.—So far as the Ministry are concerned, the proposal is a mockery, and the honorable member for the Barrier must know it.

Mr. DEAKIN.—That is absolutely denied.

Mr. POYNTON.—I desire now to deal with the reference to immigration, which I look upon as so much padding in the speech. I remember reading quite recently of the Prime Minister's remarks on the great opportunities and facilities there are in Australia for settling on the land; and these he regarded as an inducement to immigration.

Mr. DEAKIN.—I pointed out that there were these facilities in one State, and, possibly, in a second.

Mr. POYNTON.—It is within my personal knowledge that in Victoria, for one piece of land open to ordinary applicants—

bonâ fide farmers' sons of practical experience—there are hundreds of competitors.

Mr. DEAKIN.—There are numbers of applicants.

Mr. POYNTON.—In South Australia our experience is the same.

Mr. DEAKIN.—Hear, hear.

Mr. JOSEPH COOK.—Does it follow that every applicant wants the land to use, and will depend on it for his livelihood?

Mr. POYNTON.—I speak only for my own State, and I can say that 90 per cent. of the men who in a week or two will endeavour to obtain land recently purchased by the Government for settlement, will be *bonâ fide* applicants—men who intend to settle, and who are capable of getting the best results from the land. As a matter of fact, not one in fifty of these applicants will be able to get a piece of the land; and it seems to me that it is within the function of the States Parliaments to make settlement possible or more easy. They can do that by breaking up the large estates which practically run throughout the whole of the Commonwealth.

Mr. DEAKIN.—Hear, hear.

Mr. POYNTON.—As to preferential trade, I said last session that I thought it was not within the range of practical politics. I am still of opinion that the proposal is a long way from the stage when the Government will indorse it as a matter of policy. We have heard a lot about foreigners; and about the ports of foreigners being closed to the United Kingdom and to ourselves; and we have also been told of the great advantage that preferential trade would be to Australians. I said on one occasion that in my opinion Mr. Chamberlain had a very great task to perform, inasmuch as he had to convince the great consumers of the United Kingdom that the levying of a duty on food would make food cheaper. That is Mr. Chamberlain's task in the United Kingdom, while in Australia he has to induce protectionists to accept the manufactures of England as against the manufactures of other countries. But the average manufacturer, directly his particular lines are touched by a suggestion to reduce the duties, desires to shift the burden on the "other fellow." We were told yesterday that the manufacture of locomotive engines is a legitimate subject for protection. I venture to say that the honorable member for Richmond, who last raised the flag of protection and preferential trade, would oppose with all the strength he possesses any proposal to reduce the duty on sugar

which is manufactured in his constituency. And I further venture to submit that the honorable member for Melbourne Ports would not tolerate any proposal to reduce the duty of 30 per cent. on hats.

Mr. MAUGER.—What does the honorable member say as to the duty on salt?

Mr. POYNTON.—Any one would suppose that Australia was producing all that the United Kingdom requires. The mover of the Address-in-Reply, the honorable member for Melbourne Ports, referred to the enormous amount of produce imported into the United Kingdom from foreign countries. Of wheat and flour alone something like 183,000,000 bushels are imported into the United Kingdom, of which 145,000,000 are from foreign countries, the British possessions supplying the remainder. The importation of butter into the United Kingdom represents from £16,000,000 to £17,000,000, of which the foreigner supplies £13,500,000, and Australia and other British possessions the balance. The question is whether Mr. Chamberlain's proposal to impose a duty would make these food supplies cheaper to consumers in the United Kingdom. Will the bulk of the people there allow a duty to be placed on food supplies in exchange for a concession in the matter of a duty on motor-cars?

Mr. WILKS.—The organized workers of England are against the proposal.

Mr. POYNTON.—A Bill has been circulated dealing with industrial arbitration and conciliation; and I regret that the Government take the stand that we have no right to any control in the case of a strike, which extends beyond the borders of any one State, and in which State or Federal employes are involved. A reason given for this attitude is that the States pay the interest on the cost of the construction of the railways; but, surely the Prime Minister will not support that argument. If he does, I would ask him—"Does not the private individual provide the interest in connexion with the industry which we propose to take control of so far as industrial disputes are concerned?" If it is a right thing to be applied to the private individual, I fail to see why it is a wrong thing to be applied to our own employes. Either it ought not to be applied to private employes, or it ought to be applied to all employes. It is absurd to say that State employes are not connected with an industry. Have we not locomotive shops? Do we not enter

into contracts for the manufacture of engines, and come into competition with private manufacturers of engines? Do we not manufacture pipes and a number of other lines? The tendency of not only Australia, but, I believe, every country in the world, is to go in more than it has done for nationalizing a number of sources of production. I desire to ask the Prime Minister whether the rumour is true that the common rule under the Navigation Bill is not to apply to Western Australia.

Mr. DEAKIN.—The honorable member will see the Bill, I suppose, next week, or later.

Mr. POYNTON.—I feel shocked that such a concession should be made. I desire to know why the exemption should not also apply to Tasmania. I have done my share to promote the construction of the overland railway to Western Australia. Time after time I brought the project under the notice of the Parliament of South Australia, and moved for returns. Only last year I assisted Western Australia to put its views before the people of South Australia. But it is not right to say that this common rule shall not apply to Western Australia until the railway is constructed.

Mr. KINGSTON.—It would be a grossly unfair thing to do.

Mr. POYNTON.—Put that provision in the Bill, and what will be the result? I venture to submit that if there is an appeal to a board from the shipping companies of Australia for a reduction of the rate of wages, on the ground that oversea ships are exempt from the operation of the common rule, the board must concede that point. How can we, on the one hand, ask that £3 a month shall be considered a fair rate of wage on oversea ships, and, on the other hand, insist that £6 10s. a month shall be the rate on coastal liners? How can it be contended that that proposition is a fair one? It would be a monstrous thing to exempt any State from the operation of a particular law.

Mr. CARPENTER.—The honorable member takes a one-sided view of the question—his own side only.

Mr. POYNTON.—I am taking an Australian view of the question.

Mr. CARPENTER.—The honorable member is taking a very narrow view.

Mr. POYNTON.—It is the honorable member and his colleagues in the representation of Western Australia who are taking a narrow view.

Mr. CARPENTER.—Give us equal conditions, and we shall give you equal laws.

Mr. POYNTON.—The people of Western Australia have got concessions in connexion with, not only the Tariff, but also pearl fishing.

Mr. CARPENTER.—Certainly not.

Mr. POYNTON.—Only quite recently it was held that the law should not be put into operation, as far as pearl fishing was concerned, that the divers ought to be allowed to come in under contract, and ought not to be deported. But quite a different law prevails in Queensland.

Mr. DEAKIN.—No; precisely the same.

Mr. POYNTON.—From Queensland the *kanaka* has to go.

Mr. DEAKIN.—In Queensland the pearl fishery is under precisely the same law.

Mr. POYNTON.—If it is a fair thing in the interests of a white Australia that the *kanaka* shall go, it is a fair thing in the interests of a white Australia that foreign pearl fishers in the shape of Japanese, Javane and others shall go.

Mr. DEAKIN.—There is no parallel. Pearl fishers do not come into this country except for the purpose of signing an agreement and going out, whereas *kanakas* come into the country to stay for years.

Mr. POYNTON.—I wish now to refer to a matter which I mentioned in the last Parliament, and on which I asked a question yesterday. I regret that it has not been settled.

Mr. DEAKIN.—It has been referred back to the Public Service Commissioner so that he may give effect to an opinion of the Attorney-General, and, as I told the honorable member yesterday, I think that within a few days I shall be able to indicate to him a solution of the whole question.

Mr. POYNTON.—On three or four occasions I have brought this matter under the notice of the honorable and learned gentleman; and, subsequently, as the result of my action, the money for these increments was placed on the Estimates. But no decision has yet been come to.

Mr. DEAKIN.—Yes.

Mr. POYNTON.—The Commissioner has taken it upon himself to stop the payment of the increments, to which I venture to say that the officers are entitled by virtue of the State law.

Mr. DEAKIN.—He could not stop the increments. He only had power to postpone the payment of them pending the settlement of two questions—the one the legal question which has been decided, and the other the

adaptation of that legal opinion. It is being given effect to. That question is before the Commissioner, and I think it will be settled within the next few days. The matter has gone steadily on since the honorable member called my attention to it.

Mr. POYNTON.—I wrote a number of letters on the question from South Australia, and I have been promised time after time that within a day or two it would be settled. I was told only yesterday by the Prime Minister that the matter would be settled in a day or two. But in the meantime a number of worthy officers are being kept without their money. Surely the matter could have been settled before this time.

Mr. DEAKIN.—No. It had to be dealt with in connexion with the whole of the reclassification.

Mr. PAGE.—The same thing applies to all the States.

Mr. POYNTON.—I think that there is a slight difference in the case of South Australia. The explanation which is always given is that the consideration of the matter is deferred until the classification is complete.

Mr. DEAKIN.—The classification is practically ready now.

Mr. POYNTON.—I fail to see that the classification has anything to do with the question. I shall read the provision under which the honorable and learned gentleman admitted last year that the money ought to be paid. Section 9 of the Civil Service Act of South Australia reads as follows:—

Every class in each division as aforesaid, except the first class, shall have a minimum and a maximum limit of salary, and every officer therein shall be entitled to receive an annual increase. That is to say, for officers of the—

	Min.	Max.	Annual Increase.
2nd Class, £350 ...	£425 ...	£15	
3rd Class, £280 ...	£330 ...	£10	
4th Class, £220 ...	£270 ...	£10	
5th Class, £160 ...	£210 ...	£10	
6th Class, £100 ...	£150 ...	£10	

Section 84 of the Constitution of the Commonwealth contains this provision:—

Any such officer who is retained in the service of the Commonwealth shall preserve all his existing and accruing rights.

In the Public Service Act of the Commonwealth we embodied the principle in these words:—

Where any officer in the Public Railway, or other Service of a State is transferred to the Public Service of the Commonwealth, every officer so transferred shall preserve all his existing and accruing rights.

I submit that, by virtue of the provisions in those three Acts, the classification cannot in any way affect the salaries of the men whose cause I am advocating. Another matter of which I complain is the administration of the Post and Telegraph Department in our State. The Government called for applications from persons willing to fill the position of postmaster in certain places—for instance at Kadina and Petersburg. The late postmaster at the Kadina post-office received a salary of £390; from the Federal Government he received the sum of £270, and from the State Government he received certain emoluments for filling certain offices. This office has been advertised to be filled at a salary of £234, and I am told that it is the intention of the Federal Government to ear-mark all the little emoluments for filling the State positions of registrar of births and registrar of deaths. If it is true that these allowances are to be paid into the Federal Treasury—

Mr. JOSEPH COOK.—That has been the rule in New South Wales for some time.

Mr. POYNTON.—It has not been the rule in South Australia.

Mr. DEAKIN.—It is the rule in most States, if not in all.

Mr. POYNTON.—I wish to point out the injustice which will result from the application of that rule. The Government have reduced the salary of the Kadina office by £30, and if they take away the allowances from the State Government, they will reduce the emoluments of the officer by £100. A Commission which sat in South Australia quite recently fixed the rate of pay for these offices at £330 in one case, and at £390 in the other. As against £257 and £234 now fixed by the Federal Parliament, quarters being allowed in both cases. If the Government fix such small salaries as the value of the work performed, they have no right to require these officers to do extra work for the State Governments, for which they receive no pay at all. The present system is a system of sweating, such as would not be tolerated if a private employer were concerned. I have another matter to refer to. Recently a huge post-office was built at Burnside, in South Australia. But after it was completed and ready for occupation, the shutters were put up, and it was left unoccupied for four or six months. The fact was brought under my notice, and I interviewed the Minister in regard to it in Melbourne. Afterwards I

received this explanation from the Department—

With reference to your recent interview with the Postmaster-General, when you stated that the new post-office at Burnside, S.A., although finished, was not yet occupied, I have the honour, by direction, to inform you that it has been decided that the Burnside office shall be conducted under the "contract" system.

I think that a great number of honorable members in this Chamber agree with me that the contract system should not be introduced into the Commonwealth administration of the Post Office. In Victoria I have seen advertisements calling for tenders, not only from persons willing to act as postal officials, but for the providing of buildings and appliances. This, however, is the first attempt to introduce the system into South Australia. If the amount of business transacted at Burnside is not sufficient to warrant the putting in charge of an official of the Department, whose fault is it that the building was constructed? I do not say that it is the fault of this Government, but inquiry should be made to ascertain why a building, costing so large a sum of money, has been constructed. I hope that honorable gentlemen will put down their feet on the contract system in regard to the Post Office. It is an objectionable system, and will have very bad results if continued. I have been trying to ascertain what provision has been made for officers called upon to do certain administrative work under the Electoral Act. To my mind, it is a scandal that the Commonwealth should pay its assistant returning officers only £3 3s. for the work which they have to do under the Act. I know of cases in which assistant returning officers had from twenty to thirty polling places to attend to, and their work occupied a great deal of their time for two or three months prior to the election.

Sir JOHN FORREST.—I do not think that they were appointed so long as that before the election.

Mr. POYNTON.—I think that some of them were. At any rate, I know one officer who had twenty-one polling places to attend to, and twenty-one deputies under him. He had to write out 430 names four times over, to post hundreds of objections, to reply to telegrams, and to do work which in more compact and thickly populated districts is regarded as the work of returning officers. In some instances in South Australia assistant returning officers were doing work previously performed by two returning officers, and it is ridiculous that they should be paid £3 3s. for work for which the State

paid £26. I trust that the Minister for Home Affairs will not treat the matter with indifference.

Sir JOHN FORREST.—We are looking into it very closely.

Mr. POYNTON.—Another instance of the parsimony of the Government is the manner in which they have treated the South Australian letter-sorters, whose work is performed on the mail trains.

Mr. DEAKIN.—The complaint of South Australia is that the postal expenditure has been increased.

Mr. POYNTON.—In this instance there should be an increase. These men now receive an allowance of 2s. 8d. a day to provide them with three meals, whereas the reduction in the allowances made by the Government comes to 3s. 9d. per day. As there are no sixpenny restaurants along the railway lines, it is impossible for them to live within their allowances. In contrast with the treatment of the letter-sorters is that given to some other officers in the service. In South Australia we have had a miniature army of military gentlemen who are paid large salaries travelling about and drawing big allowances. The late Commandant, for instance, drew more for travelling allowances than would pay the salaries of two or three clerks, and what was the use of his work? It will all have to be done over again. Then we have had in South Australia for some months a Queensland officer who has been doing the same thing. Now we have another Commandant, who must necessarily go over the whole country again. But while these officers draw large allowances, the letter-sorters when on travelling duty receive less than will pay for three decent meals a day. I trust that the Ministers concerned will look into these matters. I am prepared to prove the truth of every statement I have made.

Motion (by Mr. McLEAN) proposed—

That the debate be now adjourned.

Mr. DEAKIN.—I anticipated that the remarks of the honorable member for Grey would occupy more time, but if no other honorable member is prepared to speak this afternoon, I shall be happy to agree to an adjournment of the debate.

Motion agreed to; debate adjourned.

ADJOURNMENT.

MEMBERS' RAILWAY PASSES.

Motion (by Mr. DEAKIN) proposed—

That the House do now adjourn.

Mr. MAHON (Coolgardie).—We have heard a good deal from the Prime Minister, and from the leader of the Opposition, about the deep loss which this House and the country have suffered through the disappearance of certain gentlemen who were members of the last Parliament. It is hardly consistent, I think, with these expressions of sympathy that the Government should allow those gentlemen to be harassed, as some of them are now being harassed, for the return of their railway passes. It will be admitted that the members of the first Federal Parliament made a great many sacrifices. We sat here during a session of seventeen months, debating the Tariff, and many of those who have retired from the House made considerable monetary sacrifices, in addition to the sacrifice of time which was necessary in the public interests. The Government proposed some time ago to give to honorable members who were members of the first Federal Parliament some recognition of the fact. But instead of having done anything of the kind, they are now allowing those who are not members of this Parliament to be meanly harassed for the return of their railway passes.

Mr. WATSON.—They do not wish to retain these passes, so that they may use them on the railways.

Mr. MAHON.—That is so. Further, ex-members are willing to pay the cash equivalent of the intrinsic value of the passes. I do not know what the general feeling of honorable members is, but I personally think that the members of the first Parliament who were not re-elected should be allowed to retain their railway passes as a memento of their connexion with the first Federal Parliament.

Mr. WATSON.—Without the privilege of free travelling!

Mr. MAHON.—They need not necessarily be allowed to travel free upon the railways; I do not contend that they should be given that privilege. The passes, however, could easily be altered so as to make them unavailable for travelling. A mark could be made upon them, which would render them useless as railway passes. I do not wish to go into the matter at any great length, but I understand that in one case the police have been instructed to watch a late member to see that he does not travel upon the railways with his pass.

Mr. SALMON.—Not at the request of the Federal Government.

Mr. MAHON.—No, but at the instance of the State officials. I think that the Government should put a stop to this persecution, and allow those gentlemen who have had no reward except the approval of their own consciences for the performance of their duty in the Federal Parliament, to retain their railway passes as mementoes.

Mr. BATCHELOR (Boothby). — I desire to support the view expressed by the honorable member for Coolgardie. I am aware that the Federal Government are not responsible for the action taken to recover the passes held by gentlemen who have ceased to be members of this House, but that it is entirely the work of the Railway Commissioners. Surely some arrangement could be made by which former members of this House would be permitted to retain their passes in such a form that they could no longer be used upon the railways.

Mr. POYNTON.—In one case a pass was made into a brooch, and was taken from the lady who was wearing it.

Mr. BATCHELOR.—Yes, I believe that upon the death of a former honorable member of this House, his widow had his railway pass made into a brooch or a pin, and that the railway authorities demanded and secured its return. The lady referred to wished to keep the pass as a memento of her late husband's connexion with the first Federal Parliament, and that was a very natural desire. No expense would be incurred if the suggestion now made were acted upon.

Mr. POYNTON.—It should be remembered that honorable members of the last Parliament gave up four or five months of their allowance in order to save expense in connexion with the elections.

Mr. BATCHELOR.—Apart from that altogether, we must remember that there will never be another first Federal Parliament, and that a memento of one's connexion with it would naturally be regarded as of special value. It has been the practice in some of the States to allow members to retain their passes after ceasing their connexion with the Parliament. In fact, I have the pass issued to me as a member of the South Australian Parliament, and I am wearing it as a memento of my connexion with that body. All that was demanded of me was the intrinsic value of the token, which I paid. There has never been any trouble in South Australia until the present time. One member of the late Parliament is being summoned to attend the police court for not

returning his pass, and I think that the Minister for Home Affairs might easily arrange with the States Governments that all further proceedings in that direction shall be suspended.

Sir JOHN FORREST (Swan—Minister for Home Affairs).—The Government communicated with the Railway Commissioners urging the request made by the honorable members who have just spoken, but the reply was not favorable to granting it. As we have to pay for the passes and the right to use them on the railways, we are almost powerless in the matter. I have had a considerable amount of trouble in regard to three passes which are still outstanding. Two of the gentlemen to whom they were issued, and who have ceased to be members of this House, have informed me that they cannot find the passes, whilst another former member has intimated that he is determined not to give up his pass. I have written to the Railway Commissioners of New South Wales, asking them to send me three other passes, and to make a note of the fact that two have been lost and that another is being purposely retained by the gentleman to whom it was issued. I am informed that the matter is under consideration, and that the Commissioners are in communication with the railway authorities in other States. As only three passes are outstanding, of which two have been lost, it appears to me that gentlemen who were formerly members of this House have, for the most part, shown themselves willing to comply with the request of the Commissioners, and, therefore, I do not think that the matter is one which should cause us any great concern. The passes are issued to honorable members to enable them to travel free over the railways, and when gentlemen cease their connexion with the Legislature, they should give us their railway tokens, which really belong to their successors. Whilst some honorable members appear to sympathize with those who desire to retain their passes, my sympathies are excited in favour of those who are entitled to passes, and have not yet been able to procure them. At present three honorable members are without passes.

Mr. KINGSTON.—Are the old passes issued to new members?

Sir JOHN FORREST.—An honorable member's personality is not involved in any way, the pass being issued to the representative of a particular district.

An HONORABLE MEMBER.—What is the value of the pass?

Sir JOHN FORREST.—Nothing worth speaking of, but the point is that it does not belong to us. These passes are issued to us by the Railway Commissioners to enable us to travel over the railways, and I agree with the Commissioners that it would be very inconvenient to have a number of old passes distributed through the country. Such passes would become very numerous as time went on, and new members were returned, and it is very difficult to say what use would be made of them. They would pass into hands other than those of the original owners, and the results might be unsatisfactory. I think that we should adhere to a reasonable and business-like arrangement, and that the passes should be given up. It may be very desirable from one point of view to retain a pass as a memento, but I do not consider that that affords a sufficient reason for ignoring the business aspect of the matter. For twenty years I had a pass over the railways of Western Australia, but when I ceased to be a member of the State Legislature, I gave it up. I think the same thing should be done in the case of gentlemen who have ceased to be members of this House.

Question resolved in the affirmative.

House adjourned at 2.55 p.m.

House of Representatives.

Tuesday, 8 March, 1904.

Mr. SPEAKER took the chair at 2.30 p.m., and read prayers.

VICTORIAN PILOTAGE.

Sir LANGDON BONYTHON.—I wish to ask the Minister for Trade and Customs a question, without notice. Is it a fact that the Victorian Marine Act exempts from pilotage Victorian owned and registered ships bound overseas which are commanded by masters who possess an exemption certificate, while levying pilotage on steamers trading under similar conditions, but owned and registered in other ports of the Commonwealth? If so, what steps does the Minister propose taking to terminate this unconstitutional practice?

Sir WILLIAM LYNE.—In reply to the first part of the honorable member's question, the facts are as stated; but I am not

now in a position to say what steps will be taken to terminate the practice. The matter was brought prominently under my notice a short time since by, I think, the manager of the Adelaide Steamship Company, and I advised that the company should refuse to pay the pilotage and allow the legality of the practice to be tested in the Courts. That is the only course which can be taken until there has been a repeal of the present law.

IRON BONUS COMMISSION.

Mr. THOMAS.—I wish to know from the Minister for Trade and Customs when he will lay upon the table the report of the Iron Bonus Commission?

Sir WILLIAM LYNE.—The report has been laid upon the table, and will be circulated to-morrow morning.

VICTORIA RIVER MAIL SERVICE.

Sir LANGDON BONYTHON asked the Postmaster-General, *upon notice*—

1. Did the Minister receive in August last a petition from pastoralists and others in the Victoria River district of the Northern Territory praying for an inland mail service from the Katherine to the Victoria River district in the Northern Territory?
2. Is such an inland mail service recommended by the South Australian and Northern Territory postal authorities?
3. What is the intention of the Government in reference to the prayer of such petition?
4. Is it the intention of the Government to give the same facilities by means of an inland mail service to the Victoria River district as are extended to the McArthur River district in the Northern Territory?

Sir PHILIP FYSH.—The answers to the honorable member's questions are as follow:—

1. The Minister received in February a petition for an inland mail service from the Katherine to Gordon Downs, on the Victorian River.
2. Such a service has now been recommended by the postal authorities of South Australia, including the principal officer of the Department in the Northern Territory.
3. Further inquiry has been made, and it is the intention of the Government to grant the prayer of the petition and provide the service asked for.
4. It is considered that the service to be provided will afford at least equal facilities to the Victoria River district to those extended to the McArthur River district.

NEW HEBRIDES.

Mr. WILLIS asked the Prime Minister, *upon notice*—

1. Whether the Government are aware that the British Acting Resident of the New Hebrides

has stated that nothing has injured the British position in the Islands so much as the Federal Tariff?

2. Whether it is a fact that in France the products of the New Hebrides have no tariff restrictions, but that Australia has imposed comparatively heavy duties on articles coming from the Islands?

3. Whether the Government will ask Parliament to accord better treatment to the settlers in the Islands of the New Hebrides?

Mr. DEAKIN.—The answers to the honorable member's questions are as follow:—

1. There have been published statements that items of the Federal Tariff had reduced exports from the New Hebrides to Australia.

2. It is understood that certain preferences are allowed to produce grown by French settlers in the Islands of the New Hebrides?

3. The position of the Australian settlers in the New Hebrides will come under the consideration of Parliament during this session.

DECIMAL CURRENCY.

Mr. G. B. EDWARDS asked the Prime Minister, *upon notice*—

Whether there has been any correspondence between the Government and the Imperial authorities or any other body or individual with reference to—

1. The adoption of a decimal system of currency by the Commonwealth?

2. The securing by the Commonwealth of some portion of the profits at present derived by the Royal Mints on the coinage of silver and bronze token money?

3. The relations of the Commonwealth to the branches of the Royal Mint in the States of the Commonwealth?

4. The adoption throughout the Empire of the metric system of weights and measures;

If so, are there any objections to tabling such correspondence for the information of Parliament?

Mr. DEAKIN.—The answers to the honorable member's questions are as follow:—

1. None with the Imperial Government, but letters have been received from various individuals on the subject.

2 and 3. Correspondence is now in progress with the Imperial Government on these subjects.

4. The resolutions of Parliament on this subject were transmitted to the Secretary of State. There has been no other correspondence. It is not advisable to make the correspondence public at the present stage.

GEELONG MOUNTED RIFLES.

Mr. WILKINSON (for Mr. CROUCH) asked the Minister for Defence, *upon notice*—

1. Has Brigadier-General Gordon upon more than one occasion promised Geelong residents to establish a local Mounted Rifle Corps?

2. Were such promises made with the authority of the Defence Department, and why have they not been carried out?

3. When will such corps be established?

Mr. CHAPMAN.—The answers to the honorable member's questions are as follow:—

1 and 2. Brigadier-General Gordon states that he "has informed Geelong residents that when funds were made available, and the establishment permitted it," he would recommend the formation of a Light Horse Squadron in Geelong.

3. When funds are available.

'KALGOORLIE DIVISIONAL RETURNING OFFICER.

Mr. FRAZER asked the Minister for Home Affairs, *upon notice*—

1. Whether he is aware that a State civil servant was appointed Divisional Returning Officer at Kalgoorlie when a Federal officer was available?

2. If so, does he intend to continue this policy?

Sir JOHN FORREST.—In reply to the honorable member, I beg to state—

1. Yes; the resident magistrate and warden of the district, an experienced officer in electoral matters, was appointed.

2. The general rule has been to employ Commonwealth officers, when available and suitable, but there must be some exceptions.

PAPERS.

MINISTERS laid upon the table the following papers:—

Statement showing the number of electors on the rolls, the votes recorded, the percentage of votes to electors, and the expense incurred at the last general elections, with a comparison of the cost of the first Commonwealth elections.

Reports of the permanent head of the Department and the recommendation of the Public Service Commissioner in regard to the promotion of Mr. W. H. Barkley, senior clerk, central staff.

GOVERNOR-GENERAL'S SPEECH: ADDRESS IN REPLY.

Debate resumed from March 4 (*vide* page 169) on motion by Mr. MAUGER—

That the Address be agreed to by the House.

Mr. McLEAN (Gippsland).—We heard a great deal during the recess, and we have heard a great deal during the present debate regarding the position of parties in this House. The present position of parties is, undoubtedly, such as to justify anxiety in the minds of all who are interested in the welfare of the Commonwealth, as I trust

we all are, but the existence of three distinct parties in a legislative assembly is by no means a new or unusual occurrence. Three parties have existed for a very long time in the House of Commons, and I think there are three parties in the Parliaments of most of the States of the Commonwealth. But the existence of three parties of practically equal numerical strength is by no means so usual, and it is somewhat difficult to foresee what will be the final result of such an arrangement. Suggestions have been made as to the desirability of a union between two of the parties, but, when we look at the position, we see that it is surrounded with very grave difficulties. It has been said there should be no great obstacle in the way of the Liberal Party coalescing with our friends on the corner benches; but I can see a very grave one. In the first place, the members of the Labour Party have subscribed to a platform which was framed by organizations outside Parliament. It would be unreasonable to expect them, without consulting their organizations, to so modify their platform as would enable them to unite with either of the other parties in the House. Although it has been said that, in regard to a great many matters, the difference between the platform of the Labour Party, and that of the Liberal Party is not very great, I think that it is very wide indeed. In the first place, the very soul and essence of liberalism is equal political power for every section of the community, or, in other words, government of the whole people by the whole people.

Mr. JOSEPH COOK.—For the whole people.

Mr. McLEAN.—We know that the policy of our friends is "government of the whole people by a section of the people." Therefore I cannot see how it would be possible for them, without consulting with, and obtaining the concurrence of, their organization outside, to so modify their platform as to enable them to unite with either of the other parties in Parliament. With regard to the question of a coalition between the Government and the Opposition, there is no doubt that the removal of the fiscal issue disposes of the principal element of contention; but, at the same time, I think that there would be very great difficulties in the way of an immediate union of forces. The members of the Opposition are in the position of a bashful maiden who has only her charms to offer, whereas the Government are in possession of the loaves and fishes, and are not

likely at present to propose a redistribution. Therefore it appears to me that it is our duty to go on with the business of the country as if there were no difficulties in the way, and await developments. It is the duty of the Government to act precisely as if they had a good working majority. If they are subjected to undue pressure in matters of first importance, or upon questions involving vital principles, I am sure that they will recognise their clear duty, viz., to break rather than bend too far.

Mr. FISHER.—Would the honorable member kindly furnish us with some proof of the truth of his statement that the Labour Party represent only one section of the people?

Mr. McLEAN.—The name of the party is a sufficient indication of that fact.

Mr. FISHER.—But there are also a Tory Party, a Liberal Party, and others; in fact, there is no limit to the names applied to various political sections.

Mr. McLEAN.—This is not the place in which to enter upon a long disquisition upon that subject. Will my honorable friend say that he and his associates are prepared to modify the policy upon which they went to the country?

Mr. FISHER.—We appealed to the whole of the people, and represent the whole of the people.

Mr. McLEAN.—I would ask the honorable member if he is prepared to so modify the platform of the Labour Party that it can be rendered acceptable to either of the other parties in Parliament. If my honorable friend will tell me that I am mistaken, I shall be delighted to hear him, because no one has more respect for him, and for those associated with him, than I have. I respect those honorable members personally, but I recognise that they are bound to adhere to the platform prepared by an organization outside of Parliament, and that they are not in a position to materially modify that platform.

Mr. McDONALD.—Our platform does not require modification.

Mr. FISHER.—Four of the States have indorsed the policy of the Labour Party.

Mr. POYNTON.—Do not the pledges of all honorable members bind them in much the same way?

Mr. McLEAN.—Certainly; but other honorable members are not subject to the direction of outside organizations. We are bound by pledges, it is true; but we are at

the same time free to do anything that is not in violation of our pledges if we think it will be in the best interests of the country.

Mr. FISHER.—It is the same with members of the Labour Party.

Mr. McLEAN.—I have yet to learn that members of the Labour Party would be in a position to modify their programme, even though they might consider it best in the interests of the country.

Mr. FISHER.—Like honest men we should appeal to the electors.

Mr. McLEAN.—That would be the proper course to adopt, and I have no doubt that my honorable friends would take that step if occasion arose.

Mr. JOSEPH COOK.—Then there is really no difference between the honorable member for Gippsland and the members of the Labour Party.

Mr. McLEAN.—Referring to the Governor-General's Speech, I am very pleased to see such a prominent position assigned to the all-important question of preferential trade. I believe that that policy, if well and wisely carried out, will do a great deal to promote the interests, not only of Australia, but of the other outlying portions of the Empire and of the United Kingdom. At present the Empire, throughout all its parts, is united by the bonds of kinship and sentiment, and although these are very powerful, I think it will be well to add to them the ties of closer trade relations and mutual self-interest. If we did so, the union of the Empire would be established upon a solid and enduring basis.

Mr. CONROY.—Namely, that of pounds, shillings, and pence.

Mr. McLEAN.—It may be some time before the mother country is in a position to negotiate with us, but I believe that matters will assume a practical shape before long. Mr. Chamberlain is playing a winning game, although I doubt if he will succeed at the next general election. The very fact that attention has been prominently directed to the condition of affairs in the mother country must, in spite of all the old prejudices, ultimately waken the nation to the advantage of the policy now being advocated.

Mr. CONROY.—What is that policy?

Mr. McLEAN.—My honorable and learned friend will have plenty of opportunities of expressing his views upon that point.

Mr. CONROY.—We know that it is a policy of robbery of the poor.

Mr. McLEAN.—The people of Great Britain cannot long ignore the fact that at present the demand for the products of British labour sold in foreign countries is not increasing, but is rather diminishing from year to year, whilst the products of foreign labour are displacing those of Great Britain in British markets by leaps and bounds year after year. These are facts which the nation cannot long refuse to recognise, and I believe that they will have their full weight in due time. It would be very difficult to overestimate the advantages of preferential trade to the outlying portions of the Empire. If a substantial, or even a moderate, preference in the British markets were given to our dairy, agricultural, and viticultural produce, a very great boon would be conferred upon us, and we should take a great step forward in the direction of making the Empire self-supporting. It is humiliating to reflect that the mother country is dependent for her food supplies upon nations with which she may possibly become involved in hostilities. It is not difficult to realize the position in which she would be placed if there were any combination against her by those nations which supply her with food. The consequences of a stoppage of supplies would be very serious—such as one does not care to contemplate. The present state of affairs should not be allowed to continue; particularly in view of the large portion of the world's surface that is occupied by British possessions and the vast resources of such territories. We know that within itself the Empire has sufficient means to produce all the food supplies required by the mother land. Therefore, it will be of the very greatest advantage, not only to the outlying portions, but to the heart of the British Empire, if a wise system of preferential trade were established. I am very pleased to observe that in the vice-regal speech prominent reference is made to two all-important questions. I refer to the proposals to assist the development of our rural industries and to encourage immigration. These two matters are closely connected, and I do not think that the importance of either can be very well overestimated. As we are all aware, the population of Australia at the present time is practically settled along a small fringe of our coastline. Our resources are but imperfectly developed, and we all recognise that Australia cannot take her proper position amongst the great nations of the earth

until she possesses a very much denser population, and until her output of products has been very materially increased. In my opinion, the best possible way in which to attract immigration to our shores is to so expand our industries that they may afford profitable employment for labour and profitable investment for capital. The two things should go hand in hand, and there is no doubt whatever that the State can do a very great deal in both of these directions.

Mr. CONROY.—It cannot create wealth. The people themselves must make it.

Mr. McLEAN.—If my honorable and learned friend will curb his impatience now, he will have abundant opportunity to reply to my observations at a later stage. I always listen with pleasure to him, even though he speaks continuously—as he occasionally does—for hours. At the same time I ask him to give other honorable members a fair opportunity to address the House. I do not object to reasonable interjections if they are relevant to the matter which I am discussing. Perhaps I should apologize to the honorable and learned member for saying so; but I really fail to see the relevance of his interjection. I need scarcely point out to honorable members that throughout the world the agricultural industry employs more people, and produces more wealth, than does any other industry even if we exclude eastern countries, such as India, China, and Japan, where intense culture is carried on to an enormous extent. There it is a common thing to find individuals cultivating only a few square yards of land. That fact will give honorable members some conception of the extent to which agriculture is practised amongst these eastern nations. I regret that I cannot find any available statistics relating to the area under cultivation in these countries or to the number of persons who are engaged in this industry. But, excluding them from our consideration, I find that in other countries, whose statistics are available, it employs 80,000,000 of peasants, and that the product of their labour represents a value of £4,000,000,000 per annum. That is a very large sum, indeed; but as the figures are taken from *Mulhall*, I presume that they are approximately correct. Since 1840 this industry has considerably more than doubled its proportions. A great deal of that development is due to State action in those countries, where agriculture is most largely carried on. Probably Great Britain has

done less to encourage agriculture than has any other European nation. The result is, that whilst in the United Kingdom, in 1840, there were 22,000,000 acres under cultivation, in 1888, or 48 years afterwards, there were only 21,000,000 acres. Thus there was an actual falling off of 1,000,000 acres, notwithstanding that the population of the country had very largely increased in the meantime. France and Germany have adopted a different policy. They have encouraged agriculture by every reasonable means in their power, with the result that, during the same period, the former increased the area which was under cultivation from 55,000,000 acres to 61,000,000 acres—an increase of 6,000,000 acres—whilst the latter increased its acreage from 45,000,000 to 59,000,000, an increase of 14,000,000 acres. Similarly the United States increased its area under cultivation from 50,000,000 acres to 201,000,000 acres, an increase of 151,000,000 acres.

Mr. KELLY.—What was the increase of population in the United States during the same period?

Mr. McLEAN.—The increase of population was undoubtedly very great. I have not the figures relating to that phase of the question in my possession. But I would point out to the honorable member that the increase of population in the United Kingdom was also very great—I think about 13,000,000 or 14,000,000—notwithstanding which, the area under cultivation actually declined. As honorable members are aware, the United States Government stimulate rural production by every reasonable means in their power, and we all know that the Government of a country can encourage the development of this industry in many ways. Besides being in a position to grant bonuses in that direction, they have facilities for acquiring the latest information from all the countries of the earth. They are also possessed of facilities for disseminating that information in the widest possible manner, and at the least possible cost. They can import the most approved kinds of seeds; they can inform the people of the countries from which they can obtain the latest and most up-to-date machinery for carrying on their avocations. It is not necessary for me to dwell upon the different means by which a Government can encourage rural production. But I have no hesitation in saying that it can be done to a very large extent, and I take it that the references which are made to these matters in the Governor-General's Speech have been inserted not merely as indicative of the desire

of the Ministry, but for the purpose of showing the policy which they are determined to pursue. I trust that they will take decided steps to give effect to these all-important planks in their platform. If they do anything to develop our local industries, to show the people of other lands where they can find profitable investment for capital and remunerative employment for labour, they will be doing a great deal to encourage immigration. These two matters, therefore, should go hand in hand. But whilst I thoroughly approve of the Government proposals in this respect, there are two matters closely related to them upon which I differ from them, and differ very widely. In the first place, it seems to me that it is ridiculous to beckon to people to come to Australia with one hand, and to repel them with the other. So long as there remains in the Immigration Restriction Act the provision which, regardless of what the conditions may be, prohibits people from being brought here under contract, so long will it be vain to endeavour to attract this class of population. It is a declaration on our part that they are not to come here under contract under any conditions. When we make that declaration we are simply advertising the fact that they are welcome to come to Australia to swell the ranks of the unemployed, but that they must not come to increase the ranks of the wage-earners.

Mr. POYNTON.—A similar provision has been applied in the United States of America since 1887.

Mr. McLEAN.—Does not my honorable friend know that the conditions prevailing in the United States of America are as widely different from those of Australia as day is from night? The United States in the first place encouraged immigration of every kind—desirable and undesirable—until they obtained an enormous population. Now their population of nearly 80,000,000 is quite sufficient for them, and they can well afford to place any restrictive immigration laws upon their statute-book. But it is simply ridiculous for us, with our handful of population, to compare Australia in that respect with the great United States of America. I should be quite prepared to go this far with the Government in regard to the provisions to which I have referred: I should be prepared to support legislation that would prevent any men brought here under contract from taking the place of men who were engaged in an industrial dispute, and thus temporarily thrown out of employment. I would also go further. I should be quite

willing that no one should be brought out under contract to receive less than the current rates of wages prevailing in Australia. With those two safeguards I contend that every encouragement should be given to people to bring to our shores the right class of workers under contract, for that is the only way in which really good men can be secured. We know that skilled labourers, whose time and work are valuable to the countries in which they live, can find employment there, and they are not likely to leave that employment to come to this land if no better inducement offers than that of joining the ranks of the unemployed here, and taking their chance of obtaining work later on. Men of a good class will not come here unless they are assured that, upon their arrival, employment will be forthcoming. I should like, therefore, to see this restrictive provision modified in the direction to which I have referred. Another point on which I differ from the Ministry, and which bears closely upon the all important question of the development of our rural industries, relates to the provision in the Post and Telegraph Act, prohibiting the Government from entering into any mail contract with a company which employs coloured labour. That is a very important matter, and one that should be calmly and dispassionately considered. Honorable members are aware that I have always been a consistent advocate of the policy of a White Australia. I have advocated that policy, because I believe it to be necessary in the interests of the future of Australia; but I have not closed my eyes to the fact that it costs a good deal to give effect to it. It not only involves the large amount that we have to pay by way of bonuses on sugar produced by white labour—which is a very serious item, and one that is increasing every year—but, in addition, we know that the exclusion of coloured labour must for a number years retard to a considerable extent the development of our resources, and consequently the progress of the country. In spite of these facts, when we consider our close proximity to the teeming millions of the East, we must recognise that, if we placed no restriction upon their importation, they would come here in millions—that, in the absence of any restrictive laws they could overrun the continent, and that it would soon become a question of which should be the dominant race. Having regard to the future, I, therefore, consider the policy of a White Australia a very important one, and I

have never swerved from my adhesion to it. But if I did not know otherwise I should say that in pressing for a White Ocean policy our honorable friends of the Labour Party were not the friends of the principle of a White Australia. I know, of course, that they are perfectly sincere, yet in pressing for the extension of this policy beyond our own bounds, and to an extent so unreasonable that it can subject us only to the ridicule of the outer world, they are doing more to endanger the principle of a White Australia than could be done by the adoption of any other course. Are not honorable members aware that the British Empire comprises more than 300,000,000 of coloured subjects? The country which they occupy is theirs by right of inheritance; it is ours only by right of conquest, and I am very pleased to know that Great Britain has never failed to recognise her duty towards those races. In every possible respect she has always treated them well. If that were not the case, does any one believe that it would be possible for a mere handful of whites to rule India, with its 300,000,000 of coloured people? If Great Britain adopted the policy that we are pursuing in endeavoring to enforce the principle, not only of a White Australia, but of a White Ocean, how long could she retain her hold over those races? It would be impossible for her to retain that control. And surely, whilst we claim our own rights, and insist upon their observance, we should recognise those of other people. I have yet to learn that the ocean which washes the shores of these coloured races is not as free to them as it is to us. What right have we to say what shall be the complexion of the races who choose to go upon the broad ocean?

Mr. BAMFORD.—But we are paying for these services.

Mr. McLEAN.—Are we to tell ship-owners who for many years have employed these coloured men—men who have done their duty faithfully and honestly—that unless they discharge them and deprive them of their means of making an honest livelihood we shall withdraw our miserable subsidy? I do not wonder at these shipping companies saying to us—“Keep your subsidy, and your mails too.” They will do their duty in spite of our little subsidy. I have no hesitation in saying that this policy is cruel, oppressive, and unjust, and, indeed, I think I may say without any departure from the truth that it is a barbarous one. But even assuming, for the

sake of argument, that my view of the matter is incorrect—assuming that it is just and humane to tell ship-owners who propose to contract for the carriage of our mails that they must discharge the coloured men who have faithfully done their duty, and whose only fault is that their Creator made their skins a little darker than our own—what advantage would accrue to Australia? Would Australians take the place of these men? We know perfectly well that they would not; we know that their places would be filled by men from some other parts of the world. What benefit then could accrue to Australia from the adoption of this policy? Why should we make ourselves ridiculous in the estimation of the outer world by inserting a condition in our mail contracts which, to my mind, brands Australians with disgrace?

Mr. POYNTON.—Did the honorable member speak in this way when the provision to which he refers was before the House?

Mr. McLEAN.—On the only occasion upon which I addressed myself to the subject in this House. I spoke in somewhat similar terms. The provision was suggested by the Labour Party. It was sprung upon us; I had never read it before, and it was accepted by the Government before I and many other honorable members knew what its effect would be. I have never changed my opinion in regard to the provision, and I am satisfied that it is the greatest danger to the policy of a White Australia that could be created. We know perfectly well that these people must get a living somewhere. If we thrust them out of one ship, they must get into another, or they must go somewhere else, in all probability, within the British Empire, to earn an honest living or starve. What advantage, or disadvantage, would it be to us that they should happen to be employed upon a particular ship? We should adopt a common-sense policy. Let us insist upon our own rights to the very last. I should be the last to abandon those rights, amongst which I include this policy of a White Australia, which I have always supported; but in mercy's name, let us not try to sweep the whole of the British Empire, and clear it of over 300,000,000 of coloured subjects.

Mr. POYNTON.—The honorable member is aware that that is not proposed.

Mr. McLEAN.—My honorable friend is proposing a little of it.

Mr. POYNTON.—As applied to subsidized boats.

Mr. McLEAN.—What is the advantage of that? We should not be finding employment for any of our Australian subjects. It is our duty to look to the welfare of our own people, and we ought not to interfere outside of our own bounds, where we have no right to interfere. If it is desirable to clear these people out of British ships, surely that is a question for the British people themselves to consider? Surely they do not require our dictation as to the line of policy they should pursue? Although, to a large extent, he takes the same view as I do upon this matter, and does not approve of it, my right honorable and learned friend the leader of the Opposition said the other night that he would approve of negotiating with the British Government with a view to give effect to such a policy as this. I would be no party to going even to that length. I would not interfere in any way. I prefer to let the British Government mind their own business and govern themselves and their own subjects as they think best.

Mr. JOSEPH COOK.—Is the carrying of our mails exclusively their business?

Mr. McLEAN.—It is their business to do that for hire. If my honorable friend were going down the street and wanted the use of a cab, would he insist upon the cabman having a horse of a particular colour? Would not that be ridiculous? I know we have the right to do this. The Prime Minister told us the other night that we have a perfect right to attach this condition to our mail contracts. I know we have the right. I know also that the shipping companies have a right to say to us—"All right, and we make a condition that you dismiss your Government." They could attach that condition if they chose, but it would be absurd. I consider that this proposal is not only absurd, but something worse. It is unjust and unfair in the extreme. To connect this with the subjects I have been discussing I would remind honorable members that every barrier we place in the way of navigation is an additional impost upon the export of our products. Of what use is it for us to try to encourage the development of our industries in order to increase our exports if we are to put these foolish and meaningless restrictions upon exports? That is the way in which it bears upon this question, otherwise I should not have referred to it at this stage; because I can tell the Government that I am heart and soul with them in the main objects

they have in view in both these matters. It is my duty, however, holding strong convictions, to express my objections to these particular clauses in the two Acts to which I have referred, which in my opinion will largely interfere with the objects the Government desire to attain—that is the encouragement of immigration and the development of our rural industries.

Mr. DEAKIN.—This is no new departure.

Mr. KENNEDY.—What about the condition as to perishable products?

Mr. McLEAN.—That has nothing to do with it. It is a question as to whether we have any right to interfere beyond our own shores.

Mr. CONROY.—What about the message to the Transvaal?

Mr. McLEAN.—That is a very different matter. If my honorable and learned friend the Prime Minister had sent a protest to the British Government I should have said that he had no right to do so, but it was a very different thing to write a friendly letter to a neighbouring friendly State, pointing out what he believed to be a danger. I can see no objection whatever to the action which the honorable and learned gentleman took in that case. I should, however, see a decided objection to our interfering to the extent of dictating to the British Government the course they should adopt.

Mr. CONROY.—Even the writing of a friendly letter suggesting that they should adopt it?

Mr. McLEAN.—A most important measure, which, I presume, will occupy our attention very shortly is the Arbitration and Conciliation Bill. Probably this will be the first question upon which the peculiar position of parties in this House will make itself manifest. I desire to say now, as I stated last session, that I support the leading principles of the Bill. I believe that arbitration and conciliation are preferable to the present method of settling industrial disputes by means of strikes and locks-out, which I consider the most wasteful and most barbarous system that could be devised for the purpose. Therefore, although I am not too sanguine of the result of this tribunal, I am prepared to give it a trial. I must say that I am less sanguine now than I was last session. The recent act of coal miners in New South Wales in refusing to accept the award of the Court—

Mr. CONROY.—They are good men, and I wish we had a few more like them.

Mr. McLEAN.—In my opinion that action raised a danger flag for us in dealing with the question.

Mr. CONROY.—They showed that there was a spirit of freedom still left in them.

Mr. WATKINS.—The honorable member, perhaps, does not know the circumstances.

Mr. McLEAN.—I do not profess to know all the circumstances of the case, but I do know that they asked for the enactment of a particular law, and when that law was placed upon the statute-book their duty, if they did not approve of its operation, was to endeavour to get it amended, and not to disobey the award of the Court. They could not do anything more fatal to their own cause than to proceed in the way in which they have proceeded.

Mr. CONROY.—What can a Judge know of these matters?

Mr. McLEAN.—However, in spite of that, I am prepared to support the main principles of this Bill. But, I may tell the Prime Minister, that I am not prepared to extend the operation of the Bill to industries in which strikes and industrial strife have never occurred.

Mr. DEAKIN.—The honorable member will find that the amendment he moved last session is there.

Mr. McLEAN.—I am obliged to the honorable and learned gentleman. When in Committee on the Bill I intend to move an amendment to exempt the agricultural and dairying industries from its operation. It is not that I think that people engaged in those industries are entitled to any privileges not enjoyed by every other section of the community, but simply because the necessity has never arisen, and I feel that it would be an insult to both employers and employes in those industries, in which strife has never occurred, if we were to provide a tribunal for the settlement of disputes that are not likely to arise.

Mr. CONROY.—We should get an arbitrator to settle disputes in this Parliament first.

Mr. McLEAN.—With regard to another amendment, which I understand is to be proposed by my honorable friends who sit in the labour corner, I do not know whether they have really considered what would be its effect. If they do consider it they must certainly see that, if they are successful, their amendment will create a position which will be intolerable and impossible. It will take away from the States the rights which the Constitution

gives them. I do not know whether the proposed amendment will be an infringement of the language of the Constitution, but it will certainly be diametrically opposed to its spirit, and if the Constitution permits the passing of such an amendment, then, although I never considered it a perfect instrument, I must conclude that the Constitution is very much more defective than I thought it was. The Constitution professes to give the States jurisdiction over every question that was not expressly relegated to the Federal Parliament. If the Federal Parliament can create a body of men, outsiders having no responsibility whatever to the constituents of the States Governments and Parliaments to manage the States Public Service—because that is what it would amount to—to tell them what their hours of labour and their rates of pay are to be, and also the general conditions under which they must work; and if this body is further to be placed in a position to tell a State Treasurer to take his Estimates back, and perhaps increase them by £200,000 or £300,000, then surely the powers of the States Governments and Parliaments will be reduced to a farce, and those authorities will be reduced to a position which they cannot be expected to accept for one moment. I believe that the States Governments would snap their fingers at the award of the Court if it attempted to make such an award. Then what should we have to do? Should we call out the military to enforce obedience? Have honorable members considered seriously what would happen even if everything went as smoothly as they desire? Have they considered what the duties of the Court would be? I presume that it would be the duty of the Court to take cognizance of the rate of wages that a particular industry could afford to pay. If it did not do that—if it compelled industries to pay higher wages than they could afford—the only effect would be to close them, and to dry up the sources of employment.

Mr. POYNTON.—The awards would apply to private individuals in the same way as to the States Governments.

Mr. McLEAN.—Apply such an award to the States railways. Those railways are now run at a loss. The States are paying more wages than the undertakings can afford to carry, and the people of the States make up the loss.

Mr. POYNTON.—Does not that apply in the same way to private individuals?

Mr. McLEAN.—No; a private individual can shut up his industry if the Court makes it unprofitable to carry it on. No court in the world can compel an individual to carry on an industry at a loss. If that rule were applied to the States railways, the effect would be either the dismissal of a number of employés or the reduction of their wages if the railways were to be made to pay. If the Arbitration Court is not to do that, what powers are we going to give to it? Is the Court to be the sole judge of how much loss the States and the people of the Commonwealth can afford? The whole thing is absurd on the face of it. I sincerely hope that wiser counsels will prevail. But if the struggle is to come, the sooner the better. Let us meet it, and let it be fought out. Let there be an awakening of the people to their position. I feel perfectly sure that we can trust the Government now in office to do their duty if the amendment foreshadowed is carried.

Mr. FISHER.—Are not the revenues of the States subject to the decisions of the High Court now?

Mr. McLEAN.—To an infinitesimal extent in respect to legislation arising between individuals and the Commonwealth, or between separate States, or between the Commonwealth and the States.

Mr. KINGSTON.—Is not a State servant an individual?

Mr. McLEAN.—I should like to see the Arbitration Court that would make my right honorable friend if he were at the head of a State Government obey it. My right honorable friend would be the very first to rise in all the wrath of his just indignation, as we have seen him do when he considered that any matter under his control was assailed here. We know how he can fight. I would not desire better fun than to see my right honorable friend occupying the position of a State Treasurer, and that Arbitration Court daring to tell him to take back his Estimates and recast them. He would be the very last to do it. There is one matter about which I wish to have a word with the Minister for Trade and Customs. I see that he has put a mention of his favorite bantling—the Inter-State Commission Bill—into the Governor-General's Speech. The proposal was strangled last session.

Sir WILLIAM LYNE.—Oh, let me alone!

Mr. McLEAN.—There is no one who has more respect for my honorable friend than I have. I know that the introduction of

this measure arises out of the largeness of his heart. He has his eye on some few individuals who he thinks would be very much better off with big salaries and in comfortable billets. My honorable friend is never happy unless he is distributing largesse.

Sir WILLIAM LYNE.—That is not fair.

Mr. McLEAN.—An Inter-State Commission at the present time in my opinion would be a cause not only of useless expenditure, but would be an absurdity. It is all very well in America, where the railways, the steam-ship companies, and all the other carrying concerns are in the hands of private individuals. An Inter-State Commission is necessary there; but here the principal means of transit are in the hands of the States.

Mr. POYNTON.—It is necessary to bring New South Wales and Victoria into line in the matter of railway freights.

Mr. McLEAN.—Does my honorable friend mean to insult the Federal Government by saying that they are not capable of carrying on negotiations with the States Governments, so as to rectify any little anomalies of that kind? Does he not know that when this question is once settled—and it might be settled in a few days—the Inter-State Commission would go on for all eternity, the members of it drawing their salaries and sleeping! Is it a wise thing to establish such a body? I hope that my honorable friend the Minister for Trade and Customs will put this measure at the bottom of the business-paper, and let it be mercilessly slaughtered with the other innocents at the end of the session.

Sir WILLIAM LYNE.—I intend to introduce it at the earliest moment, and to stop Victoria and some of the other States from doing what they are doing now.

Mr. KINGSTON.—Does not the Constitution say that an Inter-State Commission is to be established?

Mr. McLEAN.—It is true that the Constitution says that an Inter-State Commission may be established, but no sensible people would establish a body that would have a little work to do for a few days and then become useless for the rest of its natural life. The Constitution was quite right in making provision for such a body. Otherwise we could not create one if it were necessary. No doubt the framers of the Constitution intended that it should be brought into operation when required.

Sir WILLIAM LYNE.—Is the honorable member really prepared to continue the system now carried on in some of the States

of differential charges on the railways and of harbor charges, which are equal to a duty?

Mr. McLEAN.—No; but I think, as I stated last session, that the Government of the Commonwealth should take the trouble to negotiate with the Governments of the States. I am perfectly sure that the members of the States Governments are reasonable and common-sense men.

Mr. GLYNN.—The Government could have negotiated long since had they tried.

Mr. McLEAN.—The honorable and learned member for Northern Melbourne reminds me that the Commonwealth Government could, by way of injunction, and without an Interstate Commission, stop these preferential charges, while with a Commission the law would be helpless, because the whole control would be in the hands of that body.

Sir WILLIAM LYNE.—The honorable member for Gippsland holds a different opinion from that expressed by many other people.

Mr. McLEAN.—I feel that this proposal is put on the programme only with a view to ascertain whether honorable members have changed their minds; but I am sure that the good sense of the Minister will induce him to place the legislation at the bottom of the notice-paper, and allow it to stand over. I am afraid I have detained honorable members at too great a length, but a reference is made in His Excellency's Speech to a proposed amendment of the Electoral Act. That, in my opinion, is one of the most important matters to which we can devote our attention, seeing that it strikes at the very root of government itself. Having given this matter a good deal of thought for some years past, I have come to the conclusion that the best we can do is to give practical effect to the principles for which we have been legislating for years, and make Parliament a reflex of the opinions of a majority of the whole people. At the present time it is only some particular section of the community, with a special interest in the question, who busy themselves at an election, and thus the Parliament is not a true reflex of the will of the whole people.

Mr. JOSEPH COOK.—What is the good of people busying themselves if they are not on the electoral roll?

Mr. McLEAN.—That is a matter of administration, whereas I am speaking of a matter of law. We ought to endeavour to make voting as easy as possible for every individual, and to this end we might extend the system of voting by post considerably

further than it goes at present. Then, having given every facility to the people to vote, we ought to make voting compulsory.

Mr. KINGSTON.—Hear, hear.

Mr. McLEAN.—Yes; I say that we ought to make voting compulsory. If people do not take sufficient interest in the country in which they live to record their votes, it would be no hardship to make them perform that duty.

Mr. POYNTON.—What does the honorable member suggest should be done if people did not record their votes?

Mr. McLEAN.—That is a matter of detail which can be provided for, as in other cases of compulsion. The honorable member who interjects knows that at the present time we compel children to attend school. What is done if people allow their children to play truant?

Sir JOHN FORREST.—The law also compels people to fill in census returns.

Mr. McLEAN.—That is so, and also to serve on juries. There are several matters or which we bring compulsion to bear on individuals in the interests of the whole community. What great hardship would it be to compel people to give an hour or two, or perhaps less, once in three years to the most important function that can engage their attention—the function of self-government? No real hardship would be inflicted, and such a law, if enforced, would make Parliament what it never has been up to the present—a true reflex of the will of the majority of the whole people.

Mr. JOSEPH COOK.—While compelling people to vote, does the honorable member propose to find them suitable candidates?

Mr. GLYNN.—And opinions also?

Mr. McLEAN.—The people could vote for the candidate who in their judgment was the best; and there is no reason why they should not exercise their influence in trying to induce suitable candidates to come forward. Having referred briefly to the most salient matters contained in His Excellency's Speech, I conclude with an expression of my hope that we shall be able to surmount the difficulties which seem to stand in our way at the present time, and that the results of the session may conduce to the best interests of the people of the Commonwealth.

Mr. JOSEPH COOK (Parramatta).—We have listened to the honorable member for Gippsland, as we always do, with a great deal of pleasure. However I may differ from the honorable member, I always feel, while he is speaking, that he is giving

utterance to his matured convictions, and whether we agree with his opinions or not, it is worth while listening to one who undoubtedly speaks from his heart. I may say at once that I differ from the honorable member very widely as to some of the views which he has expressed, and to which I hope a little later on to make reference. First of all, I take up the speech which the Governor-General read to us, and I find myself perusing it with a great deal of pleasure, though not with much satisfaction. The pleasure arises from the literary mould through which it has gone; everyone, of course, knows who wrote this speech. I have heard it suggested that in ancient times persons other than the Prime Minister had to do with casting such speeches; but there is no mistake that this speech of the Governor-General comes through the mould of the Prime Minister, as, of course, it ought to be under our system of government. One has only to read the flowing, lucid sentences and sentiments to know that no member other than the Prime Minister could possibly have written them.

Mr. DEAKIN.—I do not want to spoil the joke of the honorable member, but it was another member of the Government who wrote the speech.

Mr. JOSEPH COOK.—While the sentiments of the speech are very delightful in the way they are put together, they are very unsatisfactory when one comes to treat them as a set of business propositions embodying a Government programme. For instance, I look in vain through the whole of the speech for a definite proposal on any subject whatever. It is hoped that certain things may eventuate. It is hoped, for instance, that in connexion with the war, which is so much of a menace to the whole civilized world at the present moment, our neutrality may be maintained. It is hoped that some satisfactory arrangement may be made regarding the important question of the taking over of the States debts. It is hoped, in the next paragraph, that some arrangement may be made at some time and somewhere concerning old-age pensions. It is hoped, in connexion with the development of our resources, that something may be done to encourage immigration. It is hoped that something may be done with regard to the speedier transit of perishable products. The address goes on to say that it is very desirable we should do something to assist in the development of our agricultural industry, in the way of growing new crops and finding new markets, and the belief is

expressed that it is very necessary that something should be done to bring about an alteration in our method of conducting elections. Every proposal in the speech is qualified by the hope that something may be done; and we are further informed that if satisfactory arrangements can be made with regard to most of these questions, such a result is very necessary and desirable.

Mr. McCOLL.—“Hope springs eternal in the human breast!”

Mr. JOSEPH COOK.—“Hope springs eternal” through the whole of the programme, but whether the hopes be realized will depend on something which the Government have not yet told us, namely, the propositions they will lay before the House. We have all read the fascinating book of H. G. Wells, entitled “Anticipations?” We know how charmed we were when we read its pages, full of the most delightful anticipations concerning the future. Here we have in the person of the Prime Minister the H. G. Wells of Australia. Equally brilliant, I venture to say, but equally unsatisfactory, he persists in living in the clouds, and when we come to try to pin him down to some serious business proposition, we find that it is impossible. The same thing happened in the case of his speech. As I listen to the honorable and learned member I always feel constrained to jump to my feet, as I have very often done, to ask him what all the beautiful sound meant. I ask him now what does the beautiful speech of the Governor-General mean? There is not a definite proposition concerning any matter with which it deals. That kind of speaking is all very well on the platform. When the honorable and learned member was pursuing his fiery crusade through the length and breadth of New South Wales one did not mind so much his indulgence in cloudy, vague, brilliant generalities, or to be told that he was an enemy of the Empire.

Mr. DEAKIN.—Is that a cloudy generality?

Mr. JOSEPH COOK.—No; but it meant nothing.

Mr. DEAKIN.—Oh! did it not?

Mr. JOSEPH COOK.—Unfortunately it meant nothing, and the honorable and learned member has shown us in his declaration in this House the other day that it meant nothing. He has told us that the ground which he took then has been altered by recent declarations in the House of Commons, and I venture to say that he did mean nothing except to try to get his

candidates returned to the House, and to keep out some gentlemen who had occupied seats here. However, I do not object to that, because that was the time and place for the honorable and learned gentleman, if he wishes to indulge in these generalities, to do so. This is a business House, and this opening speech is supposed to contain a business programme; therefore there should have been more definite clear-cut propositions concerning the matters on which it so airily and lightly touches. The honorable member for Gippsland, as nearly every previous speaker in the debate, referred to the position of parties in the House. So far as my judgment leads me to view events, I am bound to say that this matter is eminently unsatisfactory. I do not make the remark because there are three parties in the House so evenly balanced as they are. I rather view with disfavour the declarations which have been made because of that fact. It does not follow at all that because there are three parties in the House, that there should therefore be an immediate coalition between two parties as against a third, for that is the feeling in honorable members' minds, although it is not openly expressed in the House. I therefore do not at all think that the declarations which have been made by honorable members—in a veiled and careful manner, it is true—have altogether been justified by the existence of the parties that are here. But I submit that those declarations are eminently unsatisfactory, and it is to them that I wish to address my remarks for a few moments. The last speaker told us that he did not think that there could be a coalition, that it was very far distant, if at all possible. For instance, he said that the Opposition, like the maiden, had nothing to offer but their charms, and that the Government had the loaves and fishes. Does he mean to suggest that one of the insuperable difficulties in the situation is the fact that certain Ministers have certain emoluments, and that, no matter how much good they could do to the country by their retirement, they would still refuse to surrender them? What else does he mean when he says that the insuperable obstacle to a coalition which might be beneficial to the country is the fact that Ministers are in possession of the loaves and fishes of office? I do not know what the Government think about a statement of that kind, but if I were a member of the Government I should at once have risen to my feet to repudiate the

implication. The honorable member, I fancy, could not have weighed his words, or he would not have so airily accused the Government of sticking to their seats, and even to their emoluments, when it involved the discredit of the country. He seemed to go out of his way to attack the integrity of purpose of the members of this Government; true, he did it in a jocular manner. Very often when one wishes to get in a backhander, it is just as well to speak in the pleasantest possible way. And so we find the honorable member addressing himself to the question of the Inter-State Commission Bill, and declaring that a Minister had given notice of motion for leave to introduce the Bill with the specific purpose of finding some highly-paid billets for some friends. These are fine statements for an ardent supporter of the Government to make, and for the Government to allow to be made without challenge. With regard to the question of a coalition, we have had a declaration from two leaders. The leader of the Opposition says that any proposal in this direction must be perfectly open, while the leader of the Government says that the matter must be left to emergence in the future.

Mr. WILKS.—That is a very good sentiment.

Mr. JOSEPH COOK.—It is; but what does it mean?

Mr. WILKS.—I give it up.

Mr. JOSEPH COOK.—The Prime Minister says that he does not take back one word that he uttered at Ballarat. If he does not, it appears to me that a coalition is a long way off. What did he say at Ballarat? While deprecating the even position of parties in the House, he proceeded, in almost the next breath, to unfold a platform which he knew would be specially attractive to the third section in the House. In other words, he was at great pains at that banquet to unfold a political programme for the delectation of the members of the Labour Party. Therefore, it is a safe thing for him to say, in one breath, that the present position of parties in the House is unsatisfactory, while, in the next, he is reaching out with both hands for support, and the continuance of an alliance with the third party. If there is no change from that attitude, it is idle for him to talk about a coalition. It is not of much use to debate the question, but if there is to be a coalition, I do not think that it should be a coalition of two parties, pure and simple, against a third one. Whenever the

coalition takes place, it will mean, it inevitably must mean, a re-arrangement of all the parties in the Chamber, and not a mere fusion of two parties with the view of keeping under a third one. In the meantime the Prime Minister is in the happy position of being able to coquette with the question of coalition until he can realize as much of his programme as he cares to do. Whenever a difficulty occurs in connexion with a labour proposal he hopes to receive the support of the members of the Opposition on the ground that, as coalition is in the air, it would be ungenerous for us to trip up the Government. Therefore, whilst satisfying the labour members on the whole, he counts upon the support of the free-traders to get him safely over every obstacle. When all his difficulties are surmounted, we shall hear no more about coalition, and the Opposition will be left to its own devices. The Prime Minister, whatever any one may think of the proposals in the Governor-General's Speech, certainly stands on velvet in connexion with them. But a question which comes into my mind in connexion with the position is this: What have the electors said about a coalition of parties? It is strange to hear the two party leaders talking to each other of coalition, since it is only a little while since, throughout the length and breadth of New South Wales at least, the air rang with definite proposals for fiscal peace and preferential trade from the one side, and ridicule and condemnation of those proposals from the other. Now we are told by one of the party leaders that he is prepared to close the fiscal armoury, and to that statement the response is made that the position of affairs has altered since the declaration concerning preferential trade. The honorable member for Gippsland expressed great pleasure at the fact that mention of preferential free-trade is made in the Governor-General's Speech, though I fail to see what there is in it to give pleasure to any one, particularly to a sincere apostle of preferential trade. There is no definite proposal in the speech. All that we have is the expression of the hope that the visit of a prominent statesman from the old country may galvanize into life and strength the sentiment in favour of preferential trade which now lies dormant here. I have nothing but the strongest condemnation of the suggestion that such a visit should be made. It would be the most improper thing in the world for Mr. Chamberlain to come here upon such a mission. He had better leave us to settle

things for ourselves. An Imperial statesman of his calibre and position should not be brought here to take a hand in our party warfare.

Mr. MAUGER.—Is the honorable member afraid of Mr. Chamberlain?

Mr. JOSEPH COOK.—I have some respect for him, but I do not think that any man who would plunge him into the vortex of party politics here can have the slightest respect for him. I am not at all sure that he could enlighten us upon the question of preferential trade from the Australian point of view. We must always listen to what he has to say upon Imperial questions, or upon the Imperial aspect of questions affecting the Empire, but I have to learn that he can throw light upon the Australian aspect of any question. The proposal to import an Imperial statesman to try to affect a party issue here is nothing more nor less than indecent.

Mr. CONROY.—Not if he comes at his own expense.

Mr. JOSEPH COOK.—I hope that if he comes, he will leave us to settle a question like preferential trade for ourselves.

Mr. CONROY.—It is the Government proposal to pay for his trip that I object to so strongly. I think it is a monstrous one.

Mr. JOSEPH COOK.—When one comes to deal with the question of preferential trade, one finds the statement in the speech of the Governor-General regarding it as unsatisfactory as the other statements in that speech. The brand of preferential trade suggested in the speech, and advocated by the Prime Minister throughout Australia, is a brand peculiarly his own. It is not the kind of preferential trade advocated by Mr. Chamberlain or by Sir Wilfrid Laurier. The Prime Minister makes no definite proposal. Why? Because, he says, he is waiting for a proposal from the Home Government. That is a perfectly safe attitude to take, because he is not likely to get a proposal from the Imperial Government for some years to come. He must have known when he was speaking upon the question, during the electoral campaign, as though it were one of immediate practical concern, that he was humbugging the people of the Commonwealth. The Prime Minister of Great Britain declared, just before our Prime Minister set out upon his crusade, that under the most favorable circumstances the British House of Commons could not consider the question for at least two years to come. If two years must

elapse before, under the most favorable circumstances, the subject can be argued in the Imperial House of Commons, what immediate practical interest can it have for us? We have been elected for a term of three years, and may be sent to the country before that term expires, though I do not wish to refer to that earlier dissolution which has already been prognosticated by the newspapers. I hope that it is not one of the surprises to which a certain evening newspaper alluded last night. We do not desire to go back to the electors just yet, and it is quite likely that the duration of this Parliament will be longer than six months. But, even if we sit for the next three years to come, the question of preferential trade cannot come before us for decision as a definite practical issue, and my complaint is that the Prime Minister tried to present to the electors, as a matter of live concern, an issue which he knew to be of no immediate practical importance to them.

Mr. McCAY.—Did he succeed?

Mr. JOSEPH COOK.—The honorable and learned member can speak for his own State; the Prime Minister did not succeed in New South Wales. Although our Prime Minister is waiting for a definite proposal from the Home Government, Sir Wilfrid Laurier has made it as clear as daylight that under no circumstances will he negotiate on the matter. He has given Great Britain a preference, but it has been as a free concession, and he has declared his willingness to give a further preference upon the same lines. He hopes that the Imperial Government will reciprocate, but at the same time he makes it clear that under no circumstances will he enter into a trade bargain with the old country. Sir Wilfrid takes a position differing very much from that of our Prime Minister, who will not stir until a proposal for a negotiation is received from the Imperial Government. The brand of preference supported by the Prime Minister raises what is a very serious question to these self-governing States. Let it be understood once and for all that if we make a trade bargain with the Imperial Government, we must surrender some of our rights of self-government. Sir Wilfrid Laurier has been careful to make it clear, in all his utterances, that under no circumstances will Canada negotiate with Great Britain in regard to these trade matters, or surrender one jot or tittle of its self-governing powers.

Mr. MAUGER.—What about the Premier of New Zealand?

Mr. JOSEPH COOK.—Who is the Premier of New Zealand? Of course, we expect him to do great things. He always does them. But we are not concerned with him just now. We are concerned, however, with our attitude on this matter as contrasted with the attitude of the great Dominion of Canada. The latest utterance of the Prime Minister of Great Britain upon the subject is that he does not wish to do anything which will help the protectionist propaganda. Mr. Chamberlain has said that he is not advocating preferential trade as a protectionist, but because he desires freer trade with foreign nations. Do our preferentialists go with Mr. Chamberlain there? Do they desire freer trade with foreign nations? By how much would the honorable member for Melbourne Ports reduce duties levied upon German imports to give effect to the policy of preference which he is so industriously advocating? The protectionist party stands to gain everything and to lose nothing by advocating preferential trade. But what surrender is it prepared to make in the interests of freer trade with the nations of the world? The Prime Minister of Great Britain and Mr. Chamberlain say that they are pursuing this policy to enable the Imperial Government to negotiate upon commercial matters with greater effect, a very desirable object. The question is—Will their proposals accomplish it? If I could believe that their result would be freer trade throughout the world, I would hold up both hands for preferential trade. Experience of the past, however, tells us that that would not be the result. It is being contended in the old country just now that if the Government were in a position to impose duties upon foreign imports, they would be able to successfully negotiate with foreign countries for the reduction of the duties levied by those countries upon goods exported from Great Britain. The Prime Minister was careful to say, in the delightful speech which he addressed to the House last week, that things have changed in England since 1846. Of course they have. But tariffs have gone down, not up. The tariff rates of the nations of the world are lower now than they were in 1846, so that the change has been, not to the detriment, but to the advantage of Great Britain. Any one who takes an unprejudiced view must be struck with the fact that free-trade principles are steadily gaining ground everywhere. There is no retrogression. Since 1846, the States of the American Union have broken down their

tariff barriers, so that now there is free-trade between nearly 80,000,000 civilized people on the continent of America. Then, again in the great empire of Germany, free-trade exists amongst 50,000,000 civilized people who previously had to submit to nothing but irritating barriers. I venture to say that the cause of free-trade is everywhere gathering strength; nowhere is it receding in popular acceptance. The idea that the imposition of duties upon foreign goods by England would help her in negotiating foreign commercial treaties is a very old one just lately revived. I should like to direct the attention of honorable members to the fact that in 1841, and from that year onwards to 1846, Mr. Gladstone and Sir Robert Peel made desperate efforts to negotiate treaties for freer trade with the rest of the world. At that time they had huge duties at the back of them to help them in their negotiations. What was the result? It is stated plainly and tersely in Bastable's *The Commerce of Nations*:—

Very strenuous efforts were made by the Peel Administration (1841-1845) to conclude commercial treaties on the basis of reciprocity, but the attempt was a complete failure. Mr. Gladstone, who, as Vice-President of the Board of Trade, had charge of the negotiations, afterwards declared that "In every case we failed."

In every case where they tried to negotiate treaties of greater freedom, they failed.

I am sorry to add my opinion that we did more than fail. The whole operation seemed to place us in a false position. Its tendency was to lead countries to regard with jealousy and suspicion, as boons to foreigners, alterations in their laws which, though doubtless of advantage to foreigners, would have been of far greater advantage to their own inhabitants.

Here we have the declaration of men at least as great as Mr. Chamberlain, and with at least as great a knowledge of finance and commerce, that the present expedient of the British Government has been tried, and has failed in every instance in which it has been put to the test. So that this is a very old device, now hoary with age—a device which the experience of the world has proved to be ineffective to the last degree. Therefore, when we consider this question of preferential trade, we are met, first of all, by the conflicting statements of the prime actors in the preferential trade drama, and, also, by the further fact that it is a very old proposal, upon which we have experience to guide us and upon which there is no need for us to theorise. It is always delightful to

Mr. Joseph Cook.

listen to the honorable member for Richmond, who in his recent speech laid down proposition after proposition in the tone, and with the attitude, of a philosopher. He gave us some very interesting and profound information, such as that contained in the statement that Australia was an island continent. Both that honorable member and the Prime Minister tried to define the view taken by honorable members on this side of the House upon fiscal matters, and, also, the view which has been taken during the last fifty years in Great Britain and elsewhere. Both honorable members would do very much better if they allowed us to make our own definitions. They can make their own definitions upon the platform as much as they like, and afterwards knock them down as if they were so many "Aunt Sallys"; but here they should let us make our definitions, after which they would be at liberty to knock them down, if they could do so. We were told that at the outset free-trade was regarded as a propaganda of good-will to the nations, and that when it was instituted in Great Britain it was thought that it would lead to the disarming of the nations, and that in a few years Great Britain would be relieved of the immense burden of her Army and Navy. The honorable member for Richmond pointed triumphantly to the present high tariffs in various parts of the world as results of the free-trade policy pursued by the mother country. He also said that he hoped to break down the tariffs of the world. In reply to him, I would say that no one made it clearer than did Sir Robert Peel that he advocated free imports into Great Britain without reference to the effect it would have upon other parts of the world. It was only after attempts had been made by negotiation to reduce the tariffs of foreign countries that Sir Robert Peel declared that he had come to the conclusion that the best way to fight foreign tariffs was by admitting imports free into Great Britain. Therefore, it was upon this purely selfish national ground that free-trade was brought into existence in Great Britain. The honorable member should have been aware of the fact that no such results as those indicated were expected by Sir Robert Peel, who began the free-trade fight in Great Britain. When the question of the interchange of goods between various parts of the Empire comes up for final treatment, the Prime Minister will not prove to be the most sympathetic

leader that could be found. All his habits of thought, and all his political instincts for the past twenty years, are opposed to such an idea. For that period he has helped to maintain a selfish barrier around the State of Victoria against the rest of Australia, and particularly against the rest of the British Empire. When the Government introduced the Tariff we heard nothing from them except that Great Britain was a place from which we should keep as far away as possible in regard to trade relations. It was represented that Great Britain was a huge sweating hole, and that was all they then had to say about it. Now, however, it is the place upon which we should look sympathetically, and which we should endeavour to bring into closer trade relations. It seems to me that the attitude of the Government is inconsistent. The honorable member for North Sydney referred to the Prime Minister's attitude towards the rest of Australia in the not very distant past. Upon every platform the Prime Minister has pictured the States of Australia as members of one family, between whom there should be the freest interchange of products. He has represented them as being like a number of big brothers who have gone away from their homes and settled in different parts of the Continent. As the honorable member for North Sydney, however, pointed out, when any of these big brothers wanted to send a bullock into Victoria to meet the requirements of the family circle he was met with a duty of 30s. The Prime Minister always stood behind the ring fence and warned off the big brother and his bullock.

Mr. DEAKIN.—I was always opposed to the stock tax.

Mr. JOSEPH COOK.—Now I should like to point to another matter which should not be forgotten when we are considering the question of preferential trade. The Prime Minister now takes up an attitude very different from that assumed by him when the question of closer trade relations between the States of Australia, under a Federal bond, was first mooted. Who was it that at the Federal Convention declared that Victoria would not join the Federal household unless guarantees were given for her protection? But the Prime Minister is now seeking to extend the family circle even to the furthest limits of the Empire. He has waxed eloquent as to his desire to extend the home market—that precious home market of which he and those who share his view of the fiscal matter have made so much—

in such a way as to make it an Empire market. That could mean only Empire free-trade.

Mr. RONALD.—Hear, hear.

Mr. JOSEPH COOK.—Is the honorable member prepared to admit the products of Great Britain into our market free of duty? If so, why did he make such a strenuous effort to keep them out? Why did he quote those blood-curdling statements with regard to the sweating of the workers of Great Britain, if he were anxious to enter into an arrangement by which we could have a free interchange of products with the mother land?

Mr. RONALD.—Because the statements I quoted were true.

Mr. JOSEPH COOK.—Then I take it that the honorable member does not mean to applaud the proposal to admit British goods into our market free of duty.

Mr. RONALD.—We are ready to enter into negotiations as to terms.

Mr. JOSEPH COOK.—We shall let the matter rest at that. It is in the realm of negotiation, and since there is to be a proposal from Mr. Balfour on the subject before anything is done here, we may very well dismiss the matter from our minds, so far as this Parliament is concerned. From the statements of the protectionists, as they attempt to explain their attitude as consistent protectionists and preferentialists, it is easy to gather what they really mean. For instance, the Prime Minister and the secretary of the Protectionist Union of Victoria say that they want to send our goods to the old country, and that if we could secure preferential trade within the Empire, there would be a splendid market for our agricultural products in Great Britain.

Mr. RONALD.—Hear, hear.

Mr. JOSEPH COOK.—This was emphasized by the Prime Minister throughout Australia, and now one of his followers applauds the statement. Here is a quotation from the message of the Protectionist Conference of Australia to the Commonwealth:

In England free imports have destroyed an English agriculture worth £1,000,000,000.

That is a great deal of money, and its loss must have involved the ruin of many agriculturists.

AN HONORABLE MEMBER.—So it has.

Mr. JOSEPH COOK.—And yet we now have a proposal before us under which we should be enabled to send our products into

the British market and compete still more seriously with the British agriculturist.

Mr. JOHNSON.—And still further impoverish him.

Mr. JOSEPH COOK.—Exactly; what comfort would the British agriculturist derive from the fact that his ruin was being brought about by the competition of Australian, instead of American, producers? If the British farmer is ruined he is ruined whether it be by the American, the Russian, or the Australian producer, and he would have no preference between them.

Mr. DEAKIN.—If the British farmer is ruined, we cannot work him any further injury.

Mr. JOSEPH COOK.—Exactly; that is precisely the attitude assumed by the Prime Minister.

Mr. DEAKIN.—The British farmer cannot suffer any more if Australian imports are freely admitted into Great Britain, because he has nothing left to lose.

Mr. JOSEPH COOK.—We are told that in England free imports have destroyed an agricultural interest worth £1,000,000,000. If the Prime Minister desires to substitute our products for those of America and Russia, all he is seeking to do is to change the personnel of those who are ruining the English agriculturist.

Mr. DEAKIN.—But the honorable member says that his ruin is already accomplished.

Mr. JOSEPH COOK.—No; this is the honorable member's declaration. Surely this affords fine evidence of loyalty to the old country. I look in vain for any tender regard for the mother country in a selfish proposal of this kind.

Mr. DEAKIN.—We cannot kill a man twice.

Mr. JOSEPH COOK.—But the Prime Minister proposes to continue killing him as he endeavours to come to resurrection. He is anxious to keep on the process which he says has already killed him. I always thought when we were debating this question of preferential trade, and particularly when it was argued with the enthusiasm and ardour of the honorable gentleman and his colleagues, some of whom even went the length of designating us pro-Boers in New South Wales because we were opposed to them and their programme—

Mr. MCCAY. — They use very strong language in New South Wales.

Mr. JOSEPH COOK.—Yes, and the Prime Minister also used very strong language there.

Mr. DEAKIN.—Not that kind of language.

Mr. JOSEPH COOK.—He used language which very closely approached it. He accused us of all sorts of things, which almost meant that. I admit that he did not quite go the length of designating us pro-Boers—he left that for some of his supporters to do. When we hear honorable members mouthing loyalty and tender regard for the mother country, as these gentlemen did on the platforms of Australia, we naturally look to see the nature of their proposals. Here they are in all their naked baldness. They propose to continue the process which has ruined the British agriculturist, and propose only to change the ruin-worker. Those of our fiscal belief say—"If there is to be any Imperial thinking upon this question, our side has always been more in sympathy with Imperial thought upon it than has the side which is represented by the Prime Minister." He has never once thought of the people in the old country or of their industrial condition—he has always regarded it as something to be shut out, and sternly locked out, of Australia. Therefore it does not lie with him or any of his followers to accuse us of being disloyal to the mother country, simply because we do not quite see our way to plunge headlong into these preferential trade proposals. If he is honest and sincere upon this question, let him define his position. Let him say what his proposal is. We will examine it with him. We are very anxious to do anything which will prove of assistance to Great Britain. May I remind the Prime Minister that quite recently he had an opportunity to show a preference for the goods of the old country. How did he exhibit that preference? By enacting in the schedule to the Tariff that a hat which is imported from Great Britain shall pay a duty of 100 per cent., and that a shoe coming from the same source shall be subjected to a similar impost. So it was in regard to the whole of the items embraced in the Tariff. That was the time for the honorable gentleman to show his preference, and we repeatedly urged him to do so, but our plea fell upon deaf and idle ears. Now that the Tariff is fixed upon the statute-book of Australia they propose to take a course in regard to the question of preferential trade, which can only have the effect of still further buttressing

their protectionist proposals. They are quite unwilling to reduce any of the duties which are at present levied upon British goods. The only exception which they are prepared to make is that which was mentioned by the honorable member for Melbourne Ports, and that is a fine, large, generous concession since it incidentally means bestowing more protection upon some of the manufacturers of Australia. Thus, while some honorable members are mouthing preference, they simply desire to get a modicum of further protection accorded to the manufacturers of Australia. They say that they will give a preference to Great Britain by imposing higher duties upon goods other than British goods, but they will not lower any of the duties which are at present operative on articles of British manufacture. If these goods are excluded from Australia now, I hold that they will still continue to be excluded. Therefore, the only effect of these proposals will be to make Australia a still closer preserve than it has been made by the operation of the present Tariff. In other words, whilst they talk of bestowing a preference upon British goods, they really wish to sneak in a further measure of protection. That is the proposal in all its nakedness which they make to the people of Australia. Therefore, I hold that when any matter affecting the welfare of the old country is at issue, it will be found in the final result that those who have always taken up a sympathetic attitude towards the general fiscal policy of the Empire, will be the more likely to treat sympathetically any proposals for the increase of those closer and friendly relations which are seen to be desirable at the beginning of this twentieth century. Before passing away from this question, I should like to clear up another misapprehension which seems to obtain in the minds of honorable members opposite, and which was again given utterance to by the honorable member for Richmond the other day. He spoke of the way in which the tariffs of the world had been piled up against Great Britain. There was never a greater fallacy. It is a fallacy, because it states only half the truth. When honorable members declare that these tariffs are against Great Britain, why do they not state the whole truth, which is that these tariffs are also against each other? There is no special commercial vendetta existing in the world against Great Britain. The German tariff is as much against France and Russia

as it is against Great Britain, and similarly the American tariff is as much against every one of the European countries as it is against Britain.

Mr. DEAKIN.—No; because several of those countries have made mutual concessions, in which Great Britain does not share.

Mr. JOSEPH COOK.—To an infinitesimal extent.

Mr. DEAKIN.—To a very serious extent.

Mr. JOSEPH COOK.—To an extent which does not alter the point which I am now putting.

Mr. DEAKIN.—It affects our meat and butter.

Mr. JOSEPH COOK.—England enjoys more advantages in the matter of trade with the world than these nations derive from each other. Whatever departures may have been made from that principle serve only to emphasize the point which I am making, that in Europe there is no such thing as a commercial vendetta against Great Britain. These nations simply raise their tariffs against each other, and the fact is that Great Britain reaps all the advantage which is to be gained from that position of affairs. Figures show that she sends infinitely more goods into these foreign countries than they exchange with each other. Therefore, although when they shut their doors against each other, they close them also against Great Britain, the latter, by adopting a policy of free imports has been able to do more business with them than they can possibly do with each other. When honorable members opposite talk about beginning to negotiate with the help which this Tariff will give them, why, I ask, do not the negotiations which are conducted between other countries which have higher tariffs lead to increased trade between themselves? If we could find an example which has been successfully followed amongst these European nations we might consider the possibility of such a proposal in respect of Great Britain. But the fact is that when they raise their tariffs against each other there is no thought of negotiation. There is only the selfish idea of preserving to themselves what they call their "home" market. I should like further to point out that the honorable member only partially states the free-trade position when he refers to the way in which these duties have been raised against Great Britain. The position, correctly stated, is that these duties are raised against their own people even more than they are against the outside world. Why are such imposts

placed upon the poor? To prevent our people from buying their goods where they wish to purchase them. Honorable members upon this side of the House hold that when we raise these duties against our own people, and incidentally against the foreigner, we do something which cannot possibly contribute to the prosperity of the country. Therefore, throughout the whole of this debate, we have heard nothing but misstatements both as to our own position with respect to these proposals, and as to the position of honorable members opposite. They have misstated their own position in that they propose one thing and mean another. They speak of preferential trade, but they mean more protection. I claim that any proposal in the direction of preferential trade would come with better grace from this side of the chamber, and with a very much better chance of finding its ultimate enactment on the statute-book of the country. There are one or two other matters upon which I intend to touch, but not at any considerable length. The first has reference to the question of taking over the States debts. The hopeful tone which has been suddenly assumed by the Government in this connexion appears to me to be somewhat strange. It was only the other day that a State paper was issued in which the Federal Treasurer was represented as telling the Premier of Victoria that he could not do any better in connexion with the indebtedness of that State than the latter could do himself, and that for this year, at any rate, he could not go upon the London money market at all. In other words, it was a confession that after three years of the Commonwealth rule, the Commonwealth credit is at zero.

Mr. DEAKIN.—That is not a fair way to put it. There is no such suggestion.

Mr. JOSEPH COOK.—The Prime Minister can make any distinction he chooses between zero and the inability of the Commonwealth to obtain money at any price.

Mr. DEAKIN.—The Commonwealth could get the money, but it could not satisfactorily borrow for the redemption of States loans whilst these loans remain under present conditions.

Mr. JOSEPH COOK.—That is not the statement which is contained in the paper to which I referred. The Federal Treasurer distinctly affirmed that he could not go upon the London market this year.

Mr. DEAKIN.—Because he could get no conditions in regard to future States loans at the present time. He stated that in the same document.

Mr. JOSEPH COOK.—No, he simply said that he had received advices from those who were best able to judge of the position, to the effect that it would be exceedingly inadvisable for the Commonwealth to go upon the London market at the present time.

Mr. DEAKIN.—That was because we were not in a position to approach the London money market with any conditions as to future States loans.

Mr. JOSEPH COOK.—The Prime Minister makes that statement, but it is not to be found in the paper to which I refer.

Mr. DEAKIN.—The honorable member will find it in one of the papers prior to that.

Mr. JOSEPH COOK.—It comes to this, that before we can do anything with regard to State indebtedness we must resurrect the credit of the Commonwealth financially at any rate.

Mr. DEAKIN.—No; the Commonwealth could borrow well if it were borrowing for its own purposes.

Mr. JOSEPH COOK.—At what rate?

Mr. DEAKIN.—At the lowest rate.

Mr. JOSEPH COOK.—I am sure that we could borrow, but it would be at pawn-broking rates. What a confession that is to make.

Mr. GLYNN.—The same conditions applied in the case of Canada. Until she proved her title to obtain better terms she could not get them.

Mr. JOSEPH COOK.—There is no analogy between Canada and Australia, nor between their conditions.

Mr. McCAY.—If there is no analogy between the two countries, why did the honorable member find an analogy in their conditions with regard to preferential trade.

Mr. JOSEPH COOK.—Because I sought to make a contrast in relation to a matter which is as different from this as daylight is from dark. I contend that the position is that the Commonwealth Government have yet to resurrect their own credit before they can do anything for the States.

Mr. GLYNN.—Not resurrect, but establish it.

Mr. JOSEPH COOK.—I apprehend that, if we had desired to float a loan upon the establishment of the Commonwealth, we

could have done so on conditions very different from those which would now be required.

Mr. DEAKIN.—No.

Mr. WEBSTER.—Does the fault lie with the Commonwealth?

Mr. JOSEPH COOK.—The honorable member can form his own opinion. I am simply pointing out that this statement is wide of the facts.

Mr. WEBSTER.—The slandering of the Commonwealth is responsible for the position of affairs.

Mr. JOSEPH COOK.—I trust that, in good time, we shall hear the honorable member; meantime his interjection does not irrevocably settle the question. I am merely pointing out that there is a change, both in the tone and the attitude of the Treasurer, as compared with the position taken up by him several months ago. The action taken by the Government in tacking on the question of old-age pensions to the re-adjustment of the Federal and States finances is the most novel proposal of which I have ever heard. I contend that the Government should deal with a Commonwealth system of old-age pensions without reference to any of these other matters, or they should let it alone. The principle should stand on its merits, and should not be degraded by being made conditional upon the enactment of some other principle of party policy. The Government are either in a position to deal with the question of old-age pensions or they are not. How do they know when this transformation in our finances will take place? It seems to me that the Treasurer could have had nothing whatever to do with the framing of this proposal, because he himself has told us that these debts could only be converted as they mature. That would take twenty years, and by this process they hope to obtain sufficient money to finance a system of old-age pensions for the Commonwealth.

Mr. GLYNN.—We have also to remember that it is proposed to continue the "Brad-don Blot," which the late Prime Minister said stood in the way of a Commonwealth system of old-age pensions.

Mr. JOSEPH COOK.—Quite so. I say, therefore, that this careful padding of the Governor-General's Speech with matters which are obviously fatuous does not help the position of the Government when we come to consider their proposals as business propositions.

Mr. FISHER.—Would not the honorable member support the imposition of direct

taxation by the Commonwealth in order to provide for old-age pensions?

Mr. JOSEPH COOK.—We already have a system of old-age pensions in New South Wales, and there we also have direct taxation. The honorable member should interrogate not me, but the Government, in regard to this matter. The power rests with the Government, and he should ask them what they are prepared to do. I shall allow the question of the carriage of our ocean mails to stand over for the present. All that I have to say, in the meantime, is that many statements, *pro* and *con* have been made upon this important question which are very wide of the mark, and do not represent the true position. I shall wait for the definite proposals of the Government, and those proposals should be their justification or their condemnation. If by means of a poundage rate they can successfully provide for the carriage of our mails, without interference with the commercial relations of the country, they will accomplish a good stroke of business; but upon them alone rests the onus of showing that they can. I would point out, in passing from this subject, that but little time remains for the Government to take action. Under the old order of things, it was considered that, at the very least, two years' notice should be given to these huge shipping companies to make the altered arrangements necessary under new conditions of contract; but we now find ourselves within nine or ten months of the termination of the existing contracts, and nothing yet accomplished. What is to be done, therefore, should be done quickly. I shall await with the greatest interest a declaration of the decision of the Government. When that declaration is made, they will be judged upon their proposals; but until then I, for one, shall not condemn them.

Sir JOHN FORREST.—Hear, hear.

Mr. JOSEPH COOK.—Why does the right honorable gentleman smile so knowingly? I presume he is thinking of that Conference—

Mr. DEAKIN.—He thinks it a happy reformation that the honorable member should propose to hear us first and strike us afterwards.

Mr. JOSEPH COOK.—The right honorable gentleman is thinking of the Conference we held, at which two of the greatest opponents of the proposal that black labour should be excluded from our mail ships were the present Minister for Home

Affairs and the Postmaster-General. They were invariably the two dissentients from the proposals which were made in this regard; they always argued that the Empire required the employment of black labour.

Sir JOHN FORREST.—I do not think that I said anything about the question.

Mr. JOSEPH COOK.—I suppose the right honorable gentleman is thinking of the change which has taken place in his attitude.

Sir JOHN FORREST.—When did I make the statement which the honorable member attributes to me?

Mr. JOSEPH COOK.—The right honorable gentleman will find it set out in the reports of the Conference. I admit that those reports were condensed; but if the statement is not to be found in them it is, at all events, imperishably embedded in my memory. I well remember the almost fierce attitude taken up by the Ministers I have named whenever the question was brought forward. They invariably dissented from the proposal that we should not subsidize ships which carried black labour.

Sir JOHN FORREST.—I do not remember that the question ever came forward.

Mr. JOSEPH COOK.—In these circumstances I presume that it is fitting that the right honorable gentleman should smile at my very brief reference to this question. I shall leave the other matters touched on in the Governor-General's Speech until we are called upon to deal with them as business propositions. Meantime, the speech, so far as I am concerned, is eminently unsatisfactory. I think that the present position of parties in this House—including the present declarations of leaders—is altogether unsatisfactory; and the sooner something definite is done the sooner will there be a more satisfactory state of affairs. The sooner something of a definite character occurs, so that the party issues in the House may be re-defined, the sooner shall we be seeking the real and undivided welfare of the country, and be helping to achieve those reforms which the people desire.

Mr. CULPIN (Brisbane).—The proposals set forth in the speech delivered by the Governor-General are, in the main, very much in agreement with those I should desire to see carried out; but whilst most of them are of such a nature that I should like to support them, there are, singularly enough, two items in regard to which I am very much in accord with the honorable member who has just resumed his seat. Several honorable members have referred to a

certain alliance which has been suggested; but in the Governor-General's Speech, the Government have proposed an alliance between two of their offspring, which I consider would be unfair and improper. I refer to the association of the proceedings for taking over the States debts with a proposal for a Commonwealth system of old-age pensions. The establishment of a Commonwealth system of old-age pensions would involve an annual expenditure of about £1,500,000, and it is remarkable that that proposition should be coupled with a proposal which would secure a very large profit to certain persons. If honorable members refer to the report of the Treasurers' Conference, which has been placed in our hands, they will see, at page 16, a statement that the mere taking over of the States debts by the Commonwealth would at once increase the value of the stock by a minimum of 4 per cent. and a maximum of 9 per cent. That would be the inevitable result. Nine per cent, or even 4 per cent., on some £230,000,000 represents a very large sum. The debts of the States amounts to about £230,000,000, and the present market value of the stock is about £200,000,000; so that as soon as we entered upon the work of taking over the States debts we should give the holders of the stock a profit of from 4 to 9 per cent.; or in other words, a sum of from £10,000,000 to £20,000,000. Surely we must realize that it would not be right to put so large a sum into the pockets of certain persons, merely for the sake of providing pensions, amounting to £1,500,000 a year, for unfortunate men and women in the Commonwealth. Such a proposal would go beyond that which we desire to carry out. It must also be remembered that the Commonwealth would derive no advantage from taking over the States debts, unless we were prepared to go on borrowing. We have to take care that our credit abroad is good when we are ready to commence borrowing. If we do not enter upon a policy of borrowing, it is not a matter of very great importance whether the stocks of the States are at £80 or £90, or £100 or more; but when we propose to enter the money market it is essential that we should have a very good name. I believe that, at present, the intention of this House is that the Commonwealth should not enter upon a system of borrowing, but that we should wait and see whether we cannot avoid having recourse to such a policy. But I desire to point out that there is a way out of the difficulty. For the last eleven years

there has been a Treasury note system in operation in Queensland, and the adoption of that system by the Commonwealth would provide a sum of from £8,000,000 to £10,000,000, which would be available as a loan fund. The Queensland issue amounts to £1,500,000. It is indorsed by the Government, and although a cash reserve is maintained by the Treasury, so that the notes may be paid on demand, the calls made on it have been very limited. A duty of 10 per cent.—an impost which is practically prohibitive—is imposed on bank notes, and it seems to me that if a similar scheme were put into force by the Commonwealth, a very substantial profit would be secured. It would, at all events, provide a reasonable basis, and give us sufficient to work upon for the time being. We should try to do something of that sort rather than float fresh loans. It has been stated that the Canadian system of banking is a better system than is ours; but, under the Canadian system, whilst they issue Dominion notes, they still permit the banks to issue their own notes. One advantage which the Government secure under the Canadian system is that they require that 40 per cent. of the reserves of the banks which are used to cover the Bank notes must be in the Dominion notes. The Government secure that 40 per cent., and these notes are available for circulation, and are a legal tender. I think the Queensland system of Treasury notes is very much to be preferred to the Canadian system, because it is carried out directly by the State, and not indirectly through the banks. Under the Canadian system, for every £40 issued by the Canadian Government in notes, they give the banks the privilege of issuing £100. The Queensland system, under which the Government issue the full amount in their own notes, and so secure all the benefit, is preferable. There is one other matter to which I should like to urge attention with regard to the note system, and that is this: In Queensland, when the banks require notes, one-third of the amount must be paid to the Treasurer in cash, whilst upon the other two-thirds of the value of the notes supplied, a charge of 2 per cent. is made. In my opinion, instead of allowing the banks to use Government notes at such a small price, it would be better to adopt a scheme under which the Commonwealth could use its notes up to a certain fixed amount, and pay for the construction of public works with them. I believe that that would be a better

scheme to adopt than to enter upon any more loans. I am one of those who intend to vote against any proposal to bring forward any fresh loan business at the present time. Another reason why it is better that Government notes rather than the notes of private banks should be circulated in the way I suggest, is that according to Coghlan's statistics, I find that the total liabilities of the banks of Australia amount to £117,000,000; whilst their capital and reserve funds amount to £26,000,000, so that before we could say that there would be enough money to meet the Bank notes issued by the private bank note system, we must find for the banks of Australia the large amount of £143,000,000. Against that the assets of the banks, according to Coghlan, amount only to £135,000,000, leaving a balance against the banks of £7,123,000. That is to say, that if the Australian banks were to-morrow to turn all their assets into gold, in order to pay off their liabilities, some persons would have to go £7,123,000 short. In my opinion, these figures supply another reason why we should not allow the banks to issue notes when we might have a proper Commonwealth note system such as is in force in Queensland. The Queensland plan has been in operation now for eleven years, and is working well, and it only requires a little modification to supply a system which would help us largely in our work. Although, under the Canadian system, private banks issue their own notes, there is not the risk there which we have. The liability and capital of the Canadian banks are about covered by their assets, and they are, in that respect, in a better position than are the Australian banks. I think I have given good reasons why we should, as a Commonwealth, issue notes for ourselves, and use them in a fair way, rather than allow the banks to have a note issue; and I hold that the adoption of such a system would be preferable to allowing the Commonwealth Government to borrow money. With regard to the preferential trade proposals, we are told in the speech that if approved they will secure to us an immense and reliable market. That may be so; but how about the factories established in India by gentlemen who have run away from the Lancashire operatives to establish their businesses in that country? Are we to treat those people as a branch of the British Empire? I presume that they may be considered in that light, and, if so,

I say that any preferential trade that may be approved should not be of such a nature as to allow those people to come in for a share of it. Although they are our brother Britishers, I strongly object to the nations of India competing in the benefits of the proposed preferential trade, owing to their low standard of living. I think we should set our faces against any proposals which would give them the benefit of any preference at all. We have in the speech a proposal for a bonus for the establishment of the iron industry. In Queensland we have had a bonus voted for the establishment of a cotton industry, and what was the result? People set to work to manufacture cotton, and when the bonus was earned, no more cotton was manufactured. The bonus proposed must, therefore, necessarily be a perpetual bonus if the industry is to be kept going by private persons. In my opinion, instead of a bonus being provided for the establishment of the iron industry, it would be much better that we should devote a fair sum to the establishment of a State iron industry. Another point to which I should like to make reference is the proposed amendment of the Electoral Act. I am sure there is room for improvement in the Act. Its administration in Queensland has not been just what we should like to see. Electors within half-a-mile of polling places have been allotted to districts the nearest polling places for which have been three miles from their residences. This has happened in the case of at least two divisions in Queensland. Something is wrong when such a thing can take place, and I should like to see such a state of things altered as soon as possible. Statements have appeared in the press to the effect that certain questions have never been before the electors. I do not know what questions are meant, but in Queensland a certain question was decidedly before the electors. That question was not—"Will you support the Ministry?" or "Will you support the Opposition?" but "Will you support the Labour Party?" and the people answered—"Yes."

Mr. JOHNSON (Lang).—Unlike my friend, the honorable member for Parramatta, I do not look forward with any apprehension to an early dissolution such as has been hinted at by some of our newspapers. I think that the condition of parties in this House at the present time augurs very ill for the welfare of this

It seems to me that in order that

we should have sound and economical government, it is necessary that the line of demarcation between parties in this House should be more clearly drawn. I regret very much that, outside of New South Wales, the electors of the Commonwealth have not properly done their duty. I say outside of New South Wales, because of the number of votes polled elsewhere and of the character of the representation sent to Parliament. Honorable members will remember that the great issue set forth by the Prime Minister was preferential trade and fiscal peace. When the honorable and learned gentleman came over to New South Wales, he came with the utmost confidence in this cry. Preferential trade was a new thing, it was fashionable, no less a statesman than the Right Honorable Joseph Chamberlain had fathered it, and therefore it ought to be good enough for Australia. It seemed in the condition of public thought at the time that it would be a very safe card to play, especially when it was remembered how easily the protectionists had gulled the free-traders. of New South Wales into a false sense of security, and persuaded them to adopt a scheme of Federation, and a Commonwealth Bill, which to any one who took the trouble to inquire into the question, meant on the face of it the giving up of free-trade and the adoption of a system of protection.

Mr. DEAKIN.—Hear, hear.

Mr. JOHNSON.—The honorable and learned gentleman says "Hear, hear," but Sir Edmund Barton, Mr. R. E. O'Connor, and those who were responsible for the approval of the Commonwealth Bill by the New South electors, assured the free-traders of that State that it did not mean the introduction of protection, that it did not mean an increase in the Tariff, but that it meant, so far as they, and the Government of which they were the representatives were concerned, the introduction of a Tariff of such a character as would be acceptable alike to free-traders and protectionists. Those gentlemen pledged their word that the Federal Tariff would in no sense be a protective one, and it was upon that distinct promise that they obtained free-trade votes. When such a ruse was successful in that case, I suppose it was only natural that the successors of Sir Edmund Barton should believe that they would be successful in playing the same game a second time. And so the issue of protection and free-trade was sought by them to be obscured under the guise of preferential trade and fiscal peace.

Those who have taken the trouble to examine carefully into these proposals know perfectly well that there can be no system of preferential trade that does not involve a sacrifice of free-trade principles. We cannot give one nation a preference over another without giving them an advantage in duties. There can be no such advantage if all are treated with equal freedom, and therefore I say there can be no preference given which will not involve the sacrifice of free-trade principles. Fortunately, the bulk of the free-traders in New South Wales recognised this, and the result was that the Government candidates were defeated in that State by an overwhelming majority. The Prime Minister took the trouble to come to the electorate which I represent in order to support the candidature of a most estimable gentleman—a gentleman highly-respected and well known in the district, and against whose character there has been no breath of suspicion, a gentleman who had all the attributes of a useful, successful, and courteous legislator. He had on his side the eloquence and oratory of the Prime Minister, and, there is no doubt, made a most admirable speech, saying all that he could in favour of the Government candidate in the most florid and masterly manner. The Prime Minister spoke to an audience of some thousands of people. Later on he was followed by the Attorney-General for New South Wales, the Honorable B. R. Wise, who is at present the Acting Premier of that State, another gentleman well known for his eloquence, and as a man of learning, who commands a great amount of respect in the community. Yet the net result of their united efforts, supported by other speakers from the same side, was, that out of some 21,000 votes polled in the constituency, the Government candidate received fewer than 2,000. That fact gives eloquent testimony to the opinions which were held as to the proposals and policy of the Government concerning preferential trade and fiscal peace. I opposed those proposals tooth and nail, with all the warmth and power at my command. Of course, I am only an obscure individual, and I have no political record behind me. I also had the disadvantage of not having the reputation of a great orator. I simply appealed to the common-sense of the people, with results that were more or less in evidence throughout the whole State. Of course, the Government party never took the trouble to explain how they were going to secure preferential trade and have fiscal peace at one and at the same time. They did

not tell us how this most amusing paradox was going to be put into operation—how, while on the one hand, raising the Tariff question by bringing in proposals for preferential trade, they could at the same time preserve fiscal peace! I notice, in looking through the speech of the Governor-General, the extreme ingenuity that has been displayed in this direction. I think that a tribute of praise is certainly due to the Prime Minister and His Excellency's advisers generally in regard to the preparation of the speech. It is a magnificent attempt to say nothing and to propose to do nothing. Yet that magnificent attempt covers twenty-seven paragraphs. The whole thing might easily have been included in one very short paragraph. It speaks well for His Excellency's command over his risible faculties that he was able to read through the speech and still preserve that gravity of countenance which was necessary on such an occasion. I find that preferential trade, which was surely the great issue upon which the elections were fought, is not given the pride of place in the Government programme. Indeed, it is not even given a whole paragraph to itself, but is sandwiched into another clause dealing with the bountiful harvests. In fact, to speak metaphorically, one really has to get a pin and dig out the reference, like getting a periwinkle out of a shell. Let honorable members consider the way in which it is dealt with:—

The preferential trade proposals now engaging the attention of the people of Great Britain will, if approved—

it is very wise to make that proviso—

secure to us an immense and reliable market.

There is no promise to bring forward any scheme of preferential trade, notwithstanding that it was made the main issue at the election. What I should like to know is this—is it proposed by the Government to drop the matter altogether out of their programme? Is it proposed to allow the subject to die out, and to try to get the people to forget that it was raised? It seems, from the manner in which the proposals are treated in the speech, that that must be the intention of the Government, notwithstanding their expression of pleasure at—

the cordiality with which they are generally regarded in this country.

That is distinctly a humorous declaration! If the vote recorded throughout the country on this question—that has resulted in the Government being returned to this House with a following of only one-third of the representatives—is to be taken as an expression

of "great cordiality" on the part of the electors of the Commonwealth for preferential trade, it can only be classed in the same category as those "moral victories" of which we have so often heard from the lips of defeated candidates when the "other fellow" has been successful! Whatever enjoyment and appreciation the Government can find in the results of the election, I do not think we who are opposed to them shall begrudge them. The speech goes on to say that the Government—

are confident that the feeling will be strengthened when the statesman who is their author is able to visit us.

By that I presume is meant, when the Right Honorable Joseph Chamberlain comes to Australia. If so much cordiality prevails, if the people of Australia are really in such a great hurry to welcome these proposals that have been promised, and if, as has been asserted, they have made demands for preferential trade, where is the necessity of inviting Mr. Chamberlain to visit Australia for the purpose of booming up that policy? Mr. Chamberlain has made it appear to the people of Great Britain that it is not he who is asking for preferential trade, but that it is the Colonies that have been asking for it. We know perfectly well that the people of Great Britain are being absolutely misled upon this question—that the people of Australia never asked for anything of the kind, and that, as a matter of fact, they never even heard or dreamt of doing anything of the sort. The first intimation they had of anything in the nature of preferential trade being proposed, was when the news was cabled out that Mr. Chamberlain had made a speech on that subject. Then they did not know what was meant. Many of them do not know to-day what it means. That is the reason why so many members of the Government, and those who are in sympathy with them in the States, are trying to form organizations and to hold meetings for the purpose of explaining to the people the very things which Mr. Chamberlain has told the British people the Colonies have demanded. How could they have demanded something that they did not even know the nature of? Under the circumstances, either Mr. Chamberlain has been misled by somebody as to the demands of the Australian people, or he himself is woefully misleading the British people by making these statements. There is no doubt that something transpired at the Imperial Conference. We do not know what Sir

Mr. Johnson.

Edmund Barton and others may have said to Mr. Chamberlain upon this matter. But whatever they may have said must have been said entirely in their capacity as private citizens, and not in their representative capacity, for they had no mandate either from the people or from Parliament to commit this country to any preferential trade policy. If anything of the kind was done the people of Australia are in no way bound by it, because they did not authorize Sir Edmund Barton to enter into such a negotiation on their behalf. Then, look at the character of the demands which Mr. Chamberlain alleges that the Colonies have been making upon the mother country. He wants to make it appear that we have put them forward, as a concession for our gratuitous and splendid services to Great Britain in her time of great need. He wants to make it appear to the people of Great Britain that they are called upon to show their gratitude for services which we really rendered freely and voluntarily without any hope or expectation of reward. He wants to put it in the light of a sordid demand for some recognition of our services, in the form of a concession for which we have never asked. I say that that is a most mean and despicable light in which to place the people of Australia, and they have a perfect right to resent it.

Mr. GROOM.—Who puts it in that light?

Mr. JOHNSON.—Mr. Chamberlain has told the people of Great Britain at various places virtually what I have stated. I do not say that he has done so in the words that I am using, but what I have said is the only construction one can put upon the words used—that he has called upon the British public, on account of the services which the Colonies have rendered to the mother country, to reciprocate and to draw closer together the bonds of Empire. I hold that there is no need whatever to draw closer the bonds of union between the Colonies and the mother country, so far, at all events, as Australia is concerned. They can never be closer than they are now. No later than twelve months ago Mr. Chamberlain himself admitted so much. In a speech which he delivered at the Constitutional Club, in London, he used almost those very words. He did more. He said that the Empire was never stronger, never more united, than it was at that time. If it was never stronger, never more united, and never more prosperous, where is the need for entering into any commercial union for the sake of

binding closer together the bonds of Empire? The thing is all claptrap, and no one knows that better than Mr. Chamberlain himself, because for years past he has been showing by irrefutable arguments and by incontestable proofs that Great Britain has been progressing by leaps and bounds from the repeal of the Corn Laws up to the present time. He has been contending that she has been, not going back, but maintaining her lead among the nations of the world, and that she has maintained a position of unrivalled supremacy so far as trade, commerce, and industry are concerned. There is no disputing the truth of that contention, and Sir Robert Giffen, the eminent statistician, shows it most conclusively. So far from there being any evidence of decay, he says:—

All my life I have been hearing nothing but decay, and seeing nothing but progress.

He says that the problem that they have to face in Great Britain is not how to grow richer, but what to do with the wealth that they already possess, and that the trouble lies in the fact that wealth is accumulating to such an enormous extent that the people do not know how to find openings for investment. Since 1885, wealth has increased in Great Britain by 50 per cent. There is no other nation which can show such a rate of increase, and as a matter of fact to-day she is more wealthy than any other two nations put together, even including the United States and Germany. But she stands pre-eminent in the matter of wealth-production to-day, and that certainly does not look as if she was on the road to ruin. A number of our friends complain that if she should continue to increase her trade at her present rate, allowing her imports to continuously exceed her exports, sooner or later she must go to the wall. On this point I would like to read a page from a late production by Mr. Joseph Chamberlain, in which he makes most astonishing statements. Replying to a speech by Mr. Asquith, he says:—

If he could make a gigantic mistake of this kind, at all events this question is not quite so simple as he seems to think. He tells me that I dealt only with exports, and that that is quite wrong. I ought, he said, to take the exports and imports, and that is the true test of a nation's prosperity. Well, let us take it and see. Last year's exports were £278,000,000, and our imports were £528,000,000. I must admit that it seems to me in my innocence, that there is no more reason for putting these two things together, than for putting together two sides of a ledger, debtor and creditor, and

adding them up and saying—"This is the splendid result of our business during the year." (Laughter). But I am going to carry the thing further. Under these circumstances the total of the two would be £806,000,000. That is the result of the prosperous year 1902, as represented by exports and imports together. Now let me make a suggestion. Let me suppose that by a great and terrible catastrophe every mill in this country was stopped, every furnace blown out, even the blacksmith's shop was silent, that no atom of manufacture was any longer made in Great Britain, that we depended for everything upon the foreigner, what would be the result of this calculation? We should have an import, as now, of £528,000,000, and we should export nothing. Therefore, the £278,000,000 goes out of the account. We should import £528,000,000, but we should also import for our own home use that which is supplied at present by our home production.

This is putting the case as well as he can from his side—

Mr. Asquith tells us that that is five times as great as our export. I will make the calculation and tell you the result. Five times £278,000 is £1,390,000. Adding this to £528,000 gives £1,918,000, which would be our total imports. There would be no export trade, and under the circumstances I have described to you, this calculation would show that we were two and a half times better than we were before. (Laughter). That comes of taking your brief from the Cobden Club, and it shows the danger of these figures. It is to our exports—I will not say entirely, but it is mainly to our exports—that we must look for the test of the progress of our trade.

Nobody knows better than does Mr. Chamberlain that that is utter nonsense. Let us suppose—if such a thing could take place—that Great Britain by some calamity or other was reduced to the position of not being able to send away a single export. Can any honorable member name a country that would be foolish enough to send any imports into Great Britain and to take away no exports in return? Can any honorable member conceive of the possibility of such a thing happening? But suppose that £528,000,000 worth of imports come into Great Britain; and that the British people were so reduced by some calamity or other that they were not able to give anything in return. Does any honorable member think that there would be any starving people in Great Britain in these circumstances? They would have received £528,000,000 worth of goods for nothing; and if other nations were to send in another £528,000,000 worth on the same terms, I think that the people of Great Britain would be sensible enough to ask them to repeat the order as often as they liked, because it must be obvious to even the meanest intelligence that every

man, woman, and child in Great Britain would only have to sit down by the fireside and consume these imports, and send for more when the supply was exhausted. Yet this view is put forward by so great a statesman as Mr. Chamberlain—presumably before an intelligent community—and even accepted, wonderful to relate, by a very large number of them as gospel.

Mr. STORRER.—He knew what he was talking about.

Mr. JOHNSON.—If the honorable member would only read this pamphlet I do not think that he would repeat that statement. Take my own domestic circle, for instance. If I, as the breadwinner of the family, were reduced to a condition whereby I could give nothing in return for the goods which I required from my butcher, bootmaker, and tailor, and they were all anxious to supply me with them, and to take nothing in return, I should not worry about the future welfare of my family or of myself. I should simply smoke the pipe of peace by my fireside, and every time the door bell was rung, I should say to the servant—"Ask the tradesmen to put the things in the back yard, as usual, and thank them." The best test of all these general statements is to take our own individual transactions in everyday life. What is a community, after all, but simply a collection of individuals? And what is the commerce of the world, but simply a reproduction of the bartering between private individuals on a large scale? So far from there being any necessity to consider the mother country in this case, I hold that she is well able to look after herself, and that we need not trouble in the least degree about the excess of imports over exports, because whatever apparent difference there is—I do not say that there is an actual difference in the long run, because, ultimately, exports and imports always balance—whatever difference there is is difference of gain to the importing country. For the last five years the average difference between imports and exports has been something like £180,000,000. Our protectionist friends point to this, as an indication of impending ruin to Great Britain. But what are the facts? When we come to examine more closely into the Board of Trade figures we find that the value of the earnings of British shipping in the carrying trade is £90,000,000, and that the interest accruing from loans to other countries is also £90,000,000, or a total of £180,000,000, which makes exactly a balance. These facts

do not appear in the Customs entries of imports and exports, and of course under these circumstances they are lost sight of by the ordinary man, who only goes to the Customs entries for his information. We have always to look at the other side of the question to understand the true bearing of imports in regard to exports. I would strongly recommend for the perusal of honorable members an address which was delivered by the Honorable B. R. Wise, before the Economic Association. I dare say that by this time he has forgotten all about the address, because it was delivered at the Bankers' Institute on the 30th August, 1887. Mr. Wise, as honorable members know, follows Mr. Chamberlain at the present time, and if they do not like to hear the opinion of Mr. Wise on this subject I can quote Mr. Chamberlain on exactly the same lines, when he was a free-trader and knew what he was talking about. As Mr. Wise has taken up the cudgels here on behalf of Mr. Chamberlain's policy, it is well that his own words on the subject should be quoted at the present time, "lest we forget"—

"That every import must be paid for by a corresponding export"—

he does not say that now—

"is a proposition so self-evident to those who understand it, that it is difficult to realize the mental attitude of those, who dispute its truth. Yet if the proposition be true, it is clear that a stoppage of imports must mean a stoppage of exports, and that a limitation of imports by means of taxes must throw out of work those who were formerly employed in producing the articles which were exchanged against the imported goods. Then, is the proposition true? Certainly, if it be true, it has a wide, practical significance; because, once let the fact be grasped that goods which come into a country are paid for with goods that go out of it, and one great argument for stopping imports tumbles to the ground. Imports then become things to be encouraged: if we take care of them the exports can take care of themselves. But, is the proposition true? If this were not an association formed for purposes of inquiry, I might be tempted to say, as we might one ask, 'Is it true that the earth is round?'"

Honorable members will see that at that time Mr. Wise was perfectly sound, clear, and logical on this question. It is a remarkable thing that ever since he has crossed over to the other side he has not been clear or sound or consistent in any argument which he has used upon this question.

For assuredly there is no proposition outside the range of mathematical demonstration which has been so firmly established by every known method of reasoning, or so frequently illustrated

by every available fact, as the proposition that "goods coming into a country are paid for with goods going out of it."

That is a matter on which, I think, some of our protectionist friends should dwell upon and ponder over. It is clear that if goods are paid for by goods, then the goods which are imported into a country are manufactured by people who live in that country, just as truly as if manufactured in their own workshops, for the reason that they have to manufacture the goods which have to be exchanged for the imported goods. In manufacturing goods to be given in exchange people actually manufacture the goods they receive, and the more they get in excess of the amount of labour they have to give the better for them, because it means greater gain. If I, for example, am able to produce something by my labour to the value of 10s., and I get in exchange something to the value of £1, it is clear to the meanest intelligence that I am an actual gainer by 10s.; and so, if by my labour to the same amount, I can get in exchange something worth 30s., I am the gainer by £1. Every apparent excess of imports is to be encouraged, because it is clear that there is no loss to anybody in the transaction. The man who receives the products of my labour represented by 10s., and gives me something in exchange, represented by £1, is more satisfied with the 10s. worth of my labour than he would be with £1 worth of his own, and I am the more satisfied with the £1 worth than I would be with the 10s. worth of my own. It is manifest that no exchange could otherwise have taken place. There is no possible means by which I could be compelled to exchange the product of my labour for the other; and, therefore, each one gets the best of the bargain, according to his particular light. That is the way in which all trade should be conducted. All trade is barter, and no trade can be carried on, except when it is to the mutual satisfaction of each party concerned; therefore, I advocate free-trade—and the freer the better—because free-trade is natural trade. Seeing that Mr. Chamberlain himself, up to within the last nine months or so, was so persistent in pointing out the increasing prosperity and increasing prestige of the British nations amongst the nations of the world, we must look for a motive in this sudden change of opinion on his part. We can come to one conclusion, and no other. Either Mr. Chamberlain is deceiving the

British people and the Australian people to-day, or he has been deceiving the British and Australian people for the last quarter of a century. One or other must be the case, because it is impossible that Great Britain can have been flourishing all these years and at the same time crumbling to pieces. If Great Britain has been crumbling to pieces, no man in the Empire could have known it better than Mr. Chamberlain during all the time he has been talking of the great strides in prosperity she has been making. If Great Britain has not been crumbling to pieces all these years, then Mr. Chamberlain is deliberately deceiving the British and Australian people. He is deceiving them, because he knows better than that the Empire has retrograded. All the alleged facts he has brought forward in the way of proof by statistics have been, line for line, item by item, and statement by statement, absolutely disproved by the most eminent statistical authorities of Great Britain. Yet we are asked to still have faith in the principle of preferential trade, and in the honesty and sincerity of its author in Great Britain. But behind there is a deeper motive than a mere question of trade. There is, I say, a sinister design which aims at our right of self-government. That is the danger to which we have to keep our eyes open—the danger of surrendering the rights of self-government and the privileges we enjoy at the present time—of surrendering those rights and privileges under the guise of befriending and assisting the mother country and drawing closer together the bonds of Empire. I yield to no man in loyalty to the Empire. It is a piece of presumption on the part of the Commonwealth Government to assume that they and those who follow them are the only loyal people in Australia. We have given Great Britain practical proof of our loyalty, and are prepared to do so at the present time, by tearing down the tariff wall which keeps British goods out of Australian markets. Is the Government prepared to do that? That is the test of true loyalty—who will give the greater preference by removing the barriers which already exist between the mother country and Australia? The sinister motive behind is embodied in the cablegram which was received on 9th October last year, in which it is stated—

Mr. Chamberlain, in the course of a speech at Cupar, said he hopefully anticipated that the workers would help in achieving the great closing object of his political life.

Mr. Chamberlain was then appealing to the British workers, and he proceeded—

We must look to the Colonies to share the burdens, as they have hitherto shared the privileges of the Empire.

In that lies the germ of truth in the whole scheme behind the proposal. I do not say that Commonwealth Ministers are in the secret, but if they do not know the facts, it is time they did, so that they may not go blindfold, or attempt to rush the country blindfold, into a scheme which, sooner or later, will land us in difficulties which they cannot at present foresee. The proposals mean taking us into Imperial schemes of which we may not ultimately approve; they mean giving the British nation the right to tax Australians for British purposes, and they mean additional burdens on the British taxpayers. The proposals mean taxing the food and clothing of the little children, not only of the present, but of future generations; and so long as I am able—so long as I have breath and any strength or power—I shall resist every step in that direction. I know what all these proposals mean, and I am sorry that the Tariff fight is to be stopped. In regard to the latter I am disappointed, because I realize that only by a just system of taxation can we have a just system of government. The foundation of all government is taxation, and when taxation is on a wrong basis, the foundations of corrupt and extravagant administration are laid. The nearer we get to natural principles, and assist and encourage the natural desire of the people to barter one with another, the nearer we get to the fundamental principles of true, scientific, economical, and straight-forward government. As to the alleged decline of British industries, we learn from one of the eminent statisticians who writes in the *Quarterly Review* that—

Instead of there having been any decline in trade in recent years there has been a large increase all round.

That is, there has been an increase not only in one direction but all round.

Between 1894 and 1900, the latest year for which figures have been issued, the following advances have been recorded:—Articles of food and drink from £10,700,000 to £13,622,000, an increase in six years of £2,922,000.

Does that look like a decline in these industries? Then, in yarns and textiles there has been an increase in the same period from £96,025,000 to £102,212,000, an increase of £6,187,000. Does that

like decay in that industry? In metals

and metal goods other than machinery there has been a rise from £27,979,000 to £45,347,000—an increase of £17,368,000. The article proceeds—

Right on through the list a steady advance is recorded. During the period mentioned every mine and mill and workshop has been running full time, wages have maintained a high standard, and the income tax returns have shown a strong upward movement.

There is no better indication of the progress of a community than the income tax returns. When the income tax is on profits of trade, it can be seen how much that trade has increased or decreased, and an increase in the revenue from a tax on profits must mean that the profits have been increasing. In a foot-note to the article from which I am quoting—and I should like Ministers to note this—it is stated:—

Had the manufacturing plant of the country been capable of a larger output, the increase (of the products quoted) would have been even on a larger scale, for business had to be turned away.

And we know that business had to be turned away. Only recently Canada required some locomotives built, and desired to place the order with British firms, but those firms had to refuse the work because their workshops contained as much work as they could undertake. Consequently these Canadian orders had to go to the Continent, and no doubt, in course of time, the Continental exports to Canada will be cited as one of the examples of marvellous progress as against the progress made by Great Britain in similar lines of manufacture. As a matter of fact, the Continental manufacturers received only the surplus trade which Britain was unable to accept. Facts like these are the most conclusive answer to the demands of Mr. Chamberlain and the insatiable Tories behind him, who, under the specious pretence of “binding the Empire” together, seek to drag self-governing colonies into the meshes of an Imperial taxation scheme which will pile up intolerable burdens on the backs of the labouring masses of the British Empire. Nobody knows better than does Mr. Chamberlain, that his proposals mean the taxation of the food and clothing of the people. Mr. Chamberlain has himself pointed out times out of number that any of the proposed taxes must inevitably fall on the people. Perhaps honorable members opposite may not believe me, but I think it just as well to give them a little more information on this point. Mr. Chamberlain at the present time is very much concerned about the excess of imports

over exports, just as the New South Wales Attorney-General and our friends on the Ministerial benches here are greatly troubled about it. I will give some of them credit for being genuinely concerned on the subject, because they think it a serious matter, but it is only for want of more information that they take that view. There is a great deal of glamour about a name like that of Mr. Chamberlain. His name would give weight to statements which would be disbelieved and regarded as absurd if made by a less eminent man. We know from experience and observation that there are thousands of persons who are always ready to fall and worship at the feet of an established reputation, and to declare that a statement must be true because So-and-So made it. Many persons in New South Wales swallowed a certain Bill because Sir Edmund Barton said that it was a good one. They did not take the trouble to inquire into its probable effects. Sir Edmund had established a great reputation, and these thoughtless persons were ready to believe anything he chose to tell them. I have met men in a large way of business, and presumably intelligent, for whom it was quite sufficient that Sir Edmund Barton had made certain statements. That was enough for them. They did not desire anything more. But it is the duty of each one of us to exercise his individual judgment. I have never believed in accepting a statement, no matter by whom made, as absolutely true, without making independent inquiries on my own account. Underlying every political and social question is some fundamental truth which must be searched for to be discovered. One of the evils which we have to face in this country is the disinclination of the people to look into things for themselves. There is a great indisposition on the part of many to think for themselves. They are content to take the opinions of others, and to vote and to act blindly. Mr. Chamberlain, speaking in 1881, said—

Passing now to more general considerations, I gather from the speeches which have been made, that it is the contention of honorable gentlemen opposite that during recent years English trade has been declining and leaving the country.

More than twenty years ago those in the ranks of the protectionists were talking about the decline of British trade, and the decay of the nation. Mr. Chamberlain was opposing the contention that trade was leaving the country. He continued—

... that wages have fallen, and that great suffering consequently exists among the working

classes; that the profits of trade have disappeared, and that generally the country is on the verge of ruin. They also appear to think that foreign countries have benefited by our loss, and in proportion to it. Now, sir, I challenge all these assertions. It is said that we take too optimistic a view of the present state of English industry, and I am prepared at the outset to make some admissions. I admit that the state of agriculture has been for some time such as to cause to all of us the greatest concern.

He contended, however, that the imposition of duties could in no way assist agriculture; that the condition of the agriculturalist was worse during the period of protection which ended with the repeal of the Corn Laws than it had been since. Speaking of the diminution in the profits of capital, he dealt with the depression in the coal trade, which he attributed to rash speculation and over-production. He continued—

The same thing has no doubt taken place in other trades, and notably in the great iron industry of the country. But, a loss of profit from such a cause must not be confounded with a loss of trade, or supposed to indicate approaching ruin. It has sometimes been said that grumbling is the secret of England's success, and, no doubt, while we are grumbling we are continually tending to improvement and perfection; but it would not be safe to accept, without further consideration, the complaints of those who are not doing so well as they think they ought, as representing accurately the general conditions of the country. Statistics are against them; the irresistible logic of facts is opposed to the pessimism which sometimes prevails.

Mr. Chamberlain then went on to point out in regard to exports and imports that the interest on foreign investments had to be paid by imports. Foreign countries, he said, had to pay that interest by exporting their goods to Great Britain, which, of course, swelled the English imports. That is exactly what is taking place at the present time. Our imports are constantly increasing, because the outflow of English capital upon loan to foreign countries requires the continual payment of interest, which necessitates the continual inflow of foreign goods. Nobody recognised that more clearly than did Mr. Chamberlain in 1881. He continued—

And, if honorable gentlemen opposite, the advocates of a reciprocity system, were successful in erecting some barrier by which these importations could be arrested, what would be the result? Foreign countries must continue to pay their debts. Not being able to pay in goods, they would have for the time to pay in bullion and specie; there would be an accumulation of the precious metals in this country, and that would speedily bring about a rise in the price of all other articles. When that rise had been established, our power to export would be diminished; the amount of our exports would be

reduced until the balance, or excess of imports over exports was again re-established, although the volume of each would be lessened, to the enormous disadvantage of all concerned. In other words, the effect of an attempt to redress the balance would be promptly to lessen the value of our exports, but could not ultimately affect the difference in amount between them and our imports.

Dealing, finally, with the probable effect of the proposals which were then being made for reciprocity or retaliation, in other words, for preferential trade, he said—

Lastly, sir, is any one bold enough to propose that we should put duties upon food? The honorable member for Preston no doubt has the courage of his convictions. He has referred to the sacrifices which he would require from the working classes, and he does not hesitate to make the demand upon them that they should pay an extra price of 10 per cent. upon the most important articles of their daily consumption. Well, sir, I can conceive it just possible, although it is very improbable, that under the sting of great suffering, and deceived by misrepresentations, the working classes might be willing to try strange remedies, and might be foolish enough to submit for a time to a proposal to tax the food of the country; but one thing I am certain of, if this course is ever taken, and if the depression were to continue, or to recur, it would be the signal for a state of things more dangerous, and more disastrous than anything which has been seen in this country since the repeal of the Corn Laws. With the growth of intelligence on the part of the working classes, and with the knowledge they now possess of their own power, the reaction against such a policy would be attended by consequences so serious that I do not like to contemplate them. A tax on food would mean a decline in wages. It would certainly involve a reduction in their productive value; the same amount of money would have a smaller purchasing power. It would mean more than this, for it would raise the price of every article produced in the United Kingdom, and it would indubitably bring about the loss of that gigantic export trade which the industry and energy of the country, working under conditions of absolute freedom, has been able to create

I think honorable members will admit that those are very strong words. Mr. Chamberlain's language was forcible and convincing, and had the ring of truth about it, which cannot be said of any of his recent utterances. In regard to the trade of Great Britain, it is only fair to make a comparison between its volume before the repeal of the Corn Laws, and its volume to-day. I find that in 1805 the exports of Great Britain were valued at, roundly, £39,000,000, and in 1850, two years after the repeal of the Corn Laws, at about £62,000,000, an increase in half a century of about £23,000,000. In 1903, however, they stood at £283,423,966, or an increase in the succeeding half-century of nearly

Mr. Johnson.

£321,500,000. Those figures show most conclusively the immense strides which have been made by British commerce during the period of freedom, as contrasted with its expansion during the period in which the restrictive policy of protection prevailed. Comparing the general condition of the working classes in the two periods, it is notorious that for many years before the repeal of the Corn Laws, and right up to the time of their repeal, the condition of the British worker was most unenviable. He was reduced almost to the verge of desperation. But during the next half-century wages had a steady upward tendency, which has continued up to the present time. When Great Britain is compared with European countries where the system of protection is in force, it will be found that the conditions of living there are infinitely better than on the Continent. They are infinitely better in England than in Germany, France, Switzerland, and in the protected industries of America. The wages in Great Britain are higher, and the conditions of life generally are better. I do not say that there is no poverty there; I admit that there is very deep and dire poverty, and a great deal more than there ought to be. I allow all that, but I contend that whatever poverty exists is not comparable with that to be found in the protectionist countries of Europe and the United States. Even protectionists admit this, because they are in the habit of referring to those engaged in the protected industries of continental countries as paupers. "Pauper labourers" is the invariable term which they have to apply to those engaged in the industries of protected continental countries. Fancy pauper labour in protectionist countries, when protection was brought forward as a remedy for pauperism. The fact that protection and pauperism exist side by side should be sufficient to show that if poverty is to be found in free-trade England, protection is not the remedy that should be applied. If honorable members desire proof of the truth of my statements, they need only refer to the conditions which obtain in the protected industries of the United States. It is in the free-trade industries of that country that the highest wages and the greatest prosperity are to be found, and it is in those trades that the majority of the American workmen are employed. In the highly protected industries of the United States, of every twenty workmen employed, seventeen are foreigners, and only three are

Americans. The rates of wages in such industries are of the lowest, and the condition of those engaged in them is deplorable. We are entitled to regard these facts as affording further proof that protection is not the remedy for whatever poverty may exist in free-trade Great Britain. We are told that preferential trade will confer a benefit upon the British workman. Mr. Chamberlain has specially appealed to the workmen of Great Britain, and yet they have been repudiating and denouncing his proposals as calculated to injure them. Further than this, the representatives of labour in the House of Commons, some months ago, made an appeal—a noble and manly appeal—to the workers of Australia not to assist in bringing about the adoption of Mr. Chamberlain's proposals. I have not yet seen the answer made. I have been waiting for it. I know that in New South Wales, when the appeal was submitted to the Trades and Labour Council, it was shelved for three months, until after the general election, and we have heard nothing of it since. It was not promptly dealt with, as was the request for assistance made by the London dockers. Instead of extending the hand of brotherhood, they postponed the consideration of the appeal, and the representatives of British labour in the House of Commons are still waiting for an answer. I should like to know what answer is to be sent, because it appears to me that if Australians are not prepared to work hand-in-hand with their fellows in Great Britain they will be untrue to those great traditions which have hitherto distinguished the people of the two countries. We are offshoots of the mother land, and we should bear for her people the utmost affection. We are of the one blood, and we should not evince any desire to place obstacles in their road, or to impose burdens upon them. On the other hand we should resist any effort on their part to place fresh burdens upon us. I venture to say that if an attempt be made, by raising Customs barriers, to cement the bonds of Empire we shall take the first step towards the disintegration of the Empire. Nothing can be more clear than this, because any such course of action must give rise to bitterness and friction, which will have a tendency to weaken, rather than strengthen, those relations which we all hope to see maintained for ever between ourselves and the mother country. The way in which we can best cement the bonds of union is by doing everything pos-

sible to foster trade with the mother country and to further her interests; at the same time taking care not to injure ourselves, or to inflict injury upon Great Britain. I do not want to see anything done that would tend to the disruption of the British Empire, and that is one of the reasons why I should strongly oppose any proposal of the character indicated by Mr. Chamberlain. Any action taken should be in the direction of pulling down the tariff walls. I do not wish to see a tariff wall erected even against the foreigner, because I should prefer freedom of trade with the whole world. If, however, we cannot do without a tariff, let it be directed against the foreigner rather than the people of our own blood in Great Britain. I should much prefer to see the tariff wall completely broken down and swept away altogether, so far as the mother country is concerned. A great many persons are afraid that serious financial embarrassments would follow a reduction of the Customs duties against the mother country. They believe that a loss of revenue would result, but their fears are quite groundless, because we know that the lower the duties imposed upon imports the greater the purchasing power of the people, and the greater the volume of trade. Therefore, instead of resulting in a reduction of revenue, the lower duties would actually tend to an increase; and, regarded from the Treasurer's stand-point, the step indicated would be one in the right direction. I am not favorable to raising revenue through the Customs, but I recognise that it would be hopeless for us as a Commonwealth to expect to obtain our revenue from any other source for some time to come. That, however, relates to another field of politics, upon which I do not propose to enter now. Any attempt made in the direction of reducing the tariff wall will meet with the hearty approval of free-traders generally. Passing on to the question of Mr. Chamberlain's proposed visit to Australia, I think that the House should have clear information as to the conditions under which Mr. Chamberlain is to visit us. Is he to be invited here merely as an eminent statesman, to partake of our hospitality, or is he to come amongst us as the champion of a special cause advocated by a certain political party? We are entitled to know this, because, if Mr. Chamberlain is to come here as the champion of any particular political creed, we should have the right to express our resentment by every means in our power. It would be most

improper, and even indecent, if he were to come here in any such capacity. If he appears here in the character of a distinguished British statesman, he will have a right to expect the same honour and hospitality that would be shown towards an equally eminent visitor from any country. If, however, he is coming here in order to take an active part in Australian party politics, he cannot object if Australians go to England and take sides with his opponents. I am sure that any action in that direction would be resented, but I am also certain that no Australian would attempt to obtrude himself upon the field of British politics. If we allow Mr. Chamberlain to come here as the champion of preferential trade, what will come of our standing as an independent self-governing people? I strongly object to Mr. Chamberlain coming here as a political partisan at the expense of the Commonwealth. The sixth paragraph of the Governor-General's Speech reads as follows:—

With a view to giving assistance wherever possible to those engaged in the cultivation of the soil, and as a preliminary to the establishment of an Agricultural Bureau, you will be invited to consider the best means of assisting the farmer—

That is all right, provided that the farmer needs assistance.

An **HONORABLE MEMBER**.—He needs it every hour.

Mr. **JOHNSON**.—I do not deny it, but a great many other persons engaged in other industries also need assistance. The paragraph proceeds:—

by bounties and otherwise, to grow new crops and find new markets. Speedier and cheaper transportation to the large centres of population of meat, butter, and fruit, under improved conditions, is much to be desired.

Most decidedly, it is to be desired. That last expression contains the only definiteness in the proposal. The same light and airy vein characterizes the whole of this remarkable production. It does infinite credit to the ingenuity and sense of humour of Ministers. Whilst it is proposed that an armed truce shall be observed during the current session with regard to the Tariff question, the Government have raised the whole issue by proposing to assist the farmers "by bounties or otherwise," presumably through the Tariff. If any attempt be made—and I hope it will be made if only in order that we may defeat it, because discussion of the subject must result in public enlightenment—to give the farmers,

or any one else, bounties I shall oppose it, because I regard bounties in the same light as Customs duties. Some one must pay for them, and that some one is the people. The great masses of the people, the poorer classes of the community, are compelled to bear the heaviest portion of the burden. I do not object to the farmers being assisted in a legitimate way; but if assistance is to be rendered to them, let it be given by removing the restrictions which are already imposed upon their productive enterprise. Let us give them light railways to connect with the main trunk lines, light freights, and cheap transport to markets. Let us place all these facilities within their reach, and we shall then be rendering them substantial assistance.

Mr. **MAUGER**.—Surely those things are equivalent to bounties?

Mr. **JOHNSON**.—They are the kind of bounties in which the whole of the population would participate, inasmuch as they would obtain the benefit of cheap food as the result of cheap production. Further, they mean opening up a wider market for our producers; then, when our population has increased, the farmer will not have much to trouble him. All we shall have to do will be to refrain from interfering with him. The same remark is applicable to every other industry. We cannot bolster up any industry by means of bounties or of a Tariff, except at the expense of another. The sooner we open our eyes to these wholesome truths, the better will it be for the progress and prosperity of Australia. If the farmer is to be granted a bounty, why should not similar treatment be extended to the washerwoman, the shop-keeper, or the individual who opens a small refreshment-room? If the farmer is to be singled out for special treatment, why should not every person who is engaged in production of any kind be similarly served? I believe in placing all upon a plane of equality. I hold that we should mete out even-handed justice all round. Privilege is not necessary. It leads to abuses, and must inevitably result in oppression. Some one must foot the bill, and in the long run it is the widow and orphan who have to pay it. It is the foodless, hatless child in the street who has to bear the brunt of the burden. Of course I do not charge honorable members opposite with any want of humanity; but though their intentions may be most estimable, the result is nevertheless the same. Touching upon the question of immigration,

paragraph 7 of His Excellency's Speech says—

In view of the vast undeveloped resources of this continent, and the small increase in our numbers from oversea, my advisers consider it a matter of urgency to attract the population needed to enable the Commonwealth to maintain her great and responsible position in these seas. The State Governments, as represented at the Treasurers' Conference, have been addressed upon this subject, in the hope that united and effective means may be devised for securing desirable European immigrants.

It will be noticed that the phrase "in the hope" again occurs in this paragraph, as it does in so many others, throughout this remarkable document. Paragraph 8 must be read in conjunction with that which I have just quoted. It says—

The interests of the Commonwealth in London have hitherto been temporarily in the charge of the Agents-General of the States. You will be invited to make provision for the appointment of a High Commissioner, whose supervision of all matters of Australian concern, will include the duty of directing public attention to the resources of the States, and their advantages as fields for settlement.

As bearing upon these two paragraphs, which have direct relation to each other, I should like to quote the opinion of a Scotch farmer upon Australia, which so clearly explains the position of things that it will leave very little for me to add. This gentleman writes to the *Sydney Morning Herald* as follows:—

I would like to make a few remarks on the impressions I have formed of Australia as a field for settlement for British men of capital and experience in agriculture. Before sailing for Australia, I was given the following piece of advice by a friend who had had experience in the colonies:—"If you want to judge things for yourself don't disclose your identity, because if you do, you will be shepherded by land jobbers, and taken to visit only the most favoured spots. These gentlemen will pester you with fairy tales about Australia's vast undeveloped resources, and with that expression. How familiar we are with that expression. How familiar we are with that expression. developed resources," &c.

Through taking my friend's advice, I have been enabled to calmly look around and make many inquiries from reliable sources. Landing at Melbourne, I visited the Western, Ballarat, and Gippsland districts, and was much surprised to see, comparatively speaking, so little settlement near the large centres of population, and still more surprised to hear that many able, enterprising young men had left, and were leaving the State. I saw vast estates near markets containing considerable areas, suitable for agriculture, used for grazing, but when I learned the prices at which owners were prepared to sell, and the rents demanded from tenants, I no longer wondered at the exodus. An Australian surveyor, of 50 years' experience, told me that all agriculture in Victoria should be confined to the Southern slope of the Dividing

Range, where the rainfall is fairly abundant, and that the Northern slope only should be used for pasture, as the rains are uncertain, making agriculture a gamble.

Evidently the writer is a man of business, at any rate.

In New South Wales, I found much the same state of affairs as in Victoria, the State slowly recovering from the recent disastrous and prolonged drought, the good land patchy, and almost all of it—within a payable distance of market—alienated, prices of land absurdly high, small areas of Crown land being ballotted for, and men wasting much time and money running about the country looking for a place to settle on, and finding none. A gentleman I met admitted that Australia was a land of limited resources; that good seasons were the exception, and droughty ones the rule; that the value of land and station properties has all along, for obvious reasons, been unduly inflated, causing the great financial crisis ten years ago; that the problem of settling people on the land will not be solved by borrowing money to resume estates, as the Government invariably pays much more than the market value for any land it does purchase, and the settlers would thus be unable to fulfil their obligations.

When I started I had no intention of occupying the attention of the House at such length as I have done, and I shall have to curtail the remainder of my remarks very much more than I thought would be necessary. I have, at the same time, to thank honorable members of the House generally—and especially honorable members opposite—for the patient hearing they have given me, and I shall deal now as briefly as I can with the remaining items in the Governor-General's Speech upon which I desire to touch. Coming to the question of immigration, I wish to point out that it seems to me that, under present conditions, we are starting at the wrong end—and that it is useless to attempt to promote immigration to these States while our present land laws remain. We cannot find a foothold throughout Australia for many of our own people who desire to settle on the land, and become producers. This is a matter on which the Government might very well communicate with the Governments of the various States, and see if they cannot arrange some common plan upon which the land laws of the States may be based, so that they will provide proper facilities for the settlement of the people already here who desire to engage in agricultural pursuits. I agree that population is a very necessary thing. It is most lamentable to find that our population is steadily decreasing. Such a fact presents a very bad outlook for the country, more particularly when we remember that as our population is decreasing the national debt per head of the people is

increasing. This must seriously tend to alarm both British and other investors, and to depreciate Australian stocks in the money markets of the world. But it is of little use for us to attempt to encourage immigration unless we make the conditions under which the people may come here attractive. It is useless to bring people here to swell the already over-swollen army of unemployed in Australia. We have to look about and discover those forces which have led to so many unemployed being in our midst, and I think that the remarks of the Scottish farmer, which I quoted a few minutes ago, bear directly and very sensibly upon the subject. It is our duty to see whether we cannot through the agency of the Government induce the various States Governments to seriously consider the land question as it affects the labour problem. Therein lies the secret of the whole matter. It is not a question in which the Federal Government can of itself take any active legislative part under existing conditions, for if they attempted to do so they would at once infringe upon States rights. Such action would only provoke resentment on the part of the States. But what the Government can do is to endeavour to induce the various States Governments to seriously consider this question—the bearing which land monopoly has upon the labour, the population, and the employment questions, and, indeed, upon all other industrial and commercial matters. Therein lies the root of the whole thing, and until this has been done, it will be useless to attempt to attract to this country population of the kind that we desire. I know of parts of New South Wales where it is possible to travel through miles and miles of beautiful rich agricultural country, which is perfectly innocent of the spade. And yet, after passing by hundreds and hundreds of miles of land of this description, one can find struggling farmers, on the top of stoney mountains, endeavouring to eke out an existence in the most impossible places, under the most difficult conditions of transport, and right away from contact with their markets. That is a state of affairs which should not exist in the Commonwealth. When we investigate the reason we find that certain individuals have a monopoly of all these good lands, which they are not willing to use for themselves, but which, dog-in-the-manger-like, they are keeping from those who wish to use them. If the various States Governments would

only address themselves seriously to the consideration of this phase of the question we should not have long to wait before we should be able to get rid of the problems which now confront us and threaten Australia with so much disaster. I know of one case in New South Wales in which Ministers of the Crown are the reputed holders of land under the deferred payment system of the State. They are paying 30s. per acre, under the non-residential sections of the Land Act, for beautiful land, which should be put to productive uses—heavily timbered land that has never been cleared. I have been credibly informed that farmers who desire to use that land are asked by these gentlemen to pay from £10 to £12 per acre for it. But if it is worth £10 and £12 per acre to the present holders it should be worth £10 and £12 per acre to the Government, and the Government ought to receive that amount, instead of only 30s. per acre for it. We know, however, that for farming purposes the land is not worth as much as the present holders ask for it. These men are the stumbling blocks to production, and are helping to swell the ranks of the unemployed in the States. In view of all these facts, it is useless to attempt to devise any means of advertising in the mother country in order to secure emigration to Australia until we set ourselves seriously to a proper consideration of the matter. Touching the question of navigation and shipping in relation to the coastal trade, to which reference is made in the Governor-General's Speech, I trust that Ministers will make provision to regulate the time during which officers on the inter-State boats shall remain on duty, and that they will also take care to provide that proper life-saving appliances shall be kept on board, and a more efficient system of supervision exercised. Any man of nautical experience, and indeed any one who is in the habit of travelling by steamer between the various States, must have been struck by the negligence shown in relation to these matters that are so essential to the safety of life. I have known officers on some of our inter-State steamships to be kept on duty for 30 hours and sometimes longer, without any chance of sleep, and then to be called upon to put to sea with a full complement of passengers, to say nothing of a big cargo, with the prospect of a stormy sea and perhaps an all-night watch. While these things exist, the

public must be in peril of their lives, from the time they sail from one port until they reach another. I notice that in dealing with the selection of the site of the Federal Capital, the Governor-General's Speech refers only to Tumut and Bombala. I should like to see the range of choice extended by the inclusion of at least Lyndhurst as one of the sites eligible for ultimate selection. This is a matter which should certainly engage the serious attention of the Government at the earliest moment. It is very necessary, not only from considerations of convenience, but as a matter of justice to all—as a matter of preserving the compact—that the selection of the Federal Capital site should not be delayed one moment longer than is necessary. I observe that it is stated that—

The removal of vexatious restrictions upon commercial intercourse between the States of the Commonwealth has received attention.

I am very glad to know that this is so, and to learn, also, from a statement made recently by the Prime Minister, that the changes made have been attended with great benefit to the whole of Australia. If the removal of Customs barriers between the various States has been of such great advantage to the Commonwealth, the sooner we can extend the principle to our commercial relations with the outside world the better it will be. If inter-State free-trade is good, international free-trade will prove to be better. The testimony of the Prime Minister himself that the removal of the inter-State barriers—which, we must remember, protectionists were always telling us were absolutely necessary—has been beneficial to the whole of Australia is a great object lesson in favor of the extension of the principle, so that we may be able to enlarge our commercial relations with the outside world. Any extension of the principle should be attended by equally beneficial results. I have a word or two to say in regard to the recent elections. It is set forth in the Governor-General's Speech that—

It is intended to examine the experience gained in the recent elections with a view to an amendment of the Electoral Act.

We should insist upon the Government appointing a Commission to go thoroughly into this matter. There is not the slightest doubt that the way in which the electoral machinery was worked, at all events so far as New South Wales is concerned, was a grave scandal. If an elector desired to obtain the slightest information from the Com-

monwealth Electoral Office in New South Wales, he was met with an absolute and unqualified refusal. If there is one thing more than another upon which our citizens are entitled to have the fullest and most complete information it is in relation to matters connected with the preparation of the rolls and the exercise of their franchise. But whenever any request was made for information the reply invariably made by the Commonwealth Electoral Officer in New South Wales was that application must be made to the Melbourne office—that strict orders had been given that no information whatever should be supplied by the local office. It is well known that many people, notwithstanding that they were particularly careful to get enrolled, found when they proceeded to exercise the franchise, that their names had been left off the rolls. In my own electorate, whole streets of people who had been residents of the district for upwards of forty years, and whose names had never been omitted from the State rolls, were not enrolled. Among their number was the electoral officer himself, but the members of his family, and many of the business people residing in a main thoroughfare in my electorate had their names omitted from the roll. When complaint was made about this neglect, the persons concerned were treated in a most discourteous manner. Not the slightest apology or explanation was offered for this gross infringement of their rights and privileges as citizens of the Commonwealth. In the face of these glaring abuses it is the duty of the Government to see that the most searching investigation is made into the working of the Electoral Office. I do not wish to encroach any further on the patience of honorable members; but I should like to thank the House for the courtesy with which they have listened to me as a new member. Although I may have said some very hard things of some of our protectionist friends, and have necessarily trod upon their corns, I should like them to understand that I have no personal feeling against any of them, and I have spoken as I have done only because I know that it is necessary for their welfare. If I have trodden upon their corns, it has been only with the object of letting them know that they really have corns, and that the corn of protection is the worst corn of all to get rid of. I again thank honorable members for the patience with which they have heard me.

Mr. FRAZER (Kalgoorlie).—In rising to address my first remarks to the honorable members of this House, I desire to say that I have listened very attentively to the right honorable gentleman who occupies the position of leader of the Opposition to the Prime Minister, and to those who have subsequently spoken to this address. I look to the honorable and learned gentleman who is privileged to lead the present Government, and to the right honorable gentleman who is leader of the Opposition in particular, for those grains of political knowledge which will enable me to more worthily fill the position to which my countrymen have elected me. I listened with great attention to the criticism of the leader of the Opposition upon the position in which the Government find their party; but I noticed that he was very careful to exclude all reference to the hopeless dry rot which has set in so far as the position of his own party is concerned. I could not but notice the fact that, although I frankly agree that the Government Party is not in a good position, the Opposition Party is in a very bad position. I think that, under all the circumstances, it is peculiar that it should be so, when we consider that the members of the Opposition Party have always had the assistance of able journals in the whole of the States of the Commonwealth. As one who has had some little experience in fighting an Opposition press, I wish to place it upon record in my first public utterance in this Chamber that I am not an admirer of the free-trade press. It appears to me that when the members of the free-trade party find themselves in their present hopeless position, despite the assistance of a press capable of stooping to anything to gain their ends, there must be something wrong with their policy, and the people of Australia are beginning to find them out. Looking over the returns, it appears to me that although the Opposition Party is returned in a better position than the Government Party, the Labour Party is undoubtedly placed in a better position than the Opposition Party. In view of the fact that we have had all the influence exercised by the great journals in the great cities of the Commonwealth against us, it seems to me that the great mass of the people in this country must be rising, and have determined that in future they, and not the press, are going to mould the political destinies of the Commonwealth. This statement is, I think, justified by the fact that labour men were

returned by such a great majority at the last elections. Personally, I have not very strong feelings of regret for the position which political affairs is likely to assume in the near future. I refer now to the peculiar position in which honorable members of this House find themselves. We have, as most honorable members have said, three parties in this House—the Government, the Opposition, and the Labour Party; and, I say, that, so far as I am personally concerned, I am not particular which honorable gentlemen may place good legislation upon the statute-book of Australia, so long as it gets there. If the present Government are prepared to give me the legislation that will carry into effect the principles I have enunciated on the platform, they can continue to hold office, so far as I am concerned. I desire to refer to a compliment the right honorable gentleman who leads the Opposition was pleased to place on record in support of the Labour Party. He stated that the Labour Party have this merit: they put their principles and their platform in black and white, and when returned are loyal to those principles. I say that is the reason why honorable members of that party are placed in the position in which they find themselves to-day. The people were treated fairly when they returned our predecessors to this House, and so long as they are treated in that fashion, they will continue to trust us. Whilst the statement made by the leader of the Opposition is satisfactory from my point of view, I should like to say that it is not altogether consistent with the opinion which the right honorable gentleman expressed in Sydney on the 26th February last—that is always presuming that he has been correctly reported. In the *Sydney Daily Telegraph* of that date, he is reported to have said—

He did not want to be unkind, but the difference was, that labour worked, and the Labour Party did not.

The *Sydney Morning Herald*, on the same occasion, reported the right honorable gentleman as having said—

It would be well for them to make a note that there was all the difference in the world between labour and the Labour Party, and it was that, whilst labour laboured, the Labour Party did not.

I refer to this in order to contrast it with the statement which the right honorable gentleman made in speaking to the Address in Reply, that we had political principles and endeavoured to put them in force as

soon as we were returned to Parliament. Another matter to which I should like to refer, is the argument advanced concerning class legislation. There appears to be a very strong feeling amongst honorable members sitting in a certain portion of this Chamber, that another section of the members of the House intend to go in for class legislation. I say that, so far as I know, until the advent of the Labour Party we never had anything else but class legislation in Australia. Whilst this was the case, and whilst there was every prospect of its continuing, a certain section of the community had no desire to alter the existing state of affairs; but as soon as the voice of the people has begun to make itself felt in this Chamber we find a certain section of honorable members rising to denounce class legislation. They do not want it. They believe that the Labour Party are going to run this Commonwealth for themselves. As one member of that party, I say it is nonsense; it is ridiculous for any honorable member of this House to say that we desire to get anything for ourselves that we are not prepared to give to every one else in the community. Our policy has been simply to demand justice for all parties and privileges for none, and so far as class legislation is concerned, though it has existed in the past, if we can alter it, it is not going to exist in the future. Another statement which dropped from the lips of the leader of the Opposition was the expression of his absolute contempt for the Employers' Federation and their representatives at the Sydney conference. I have read a few of the speeches delivered by the right honorable gentleman, and have heard him speak upon a number of questions; but never before did I hear him get up and openly denounce the Employers' Federation. I do not wish to insinuate too much, but it does seem peculiar that such a statement should come from the right honorable gentleman just at a time when the Employers' Federation is not popular in the country. This is a matter to which honorable members sitting behind the right honorable and learned member for East Sydney may give their serious consideration in the near future. Next to the actual result of the elections, and the condition in which we find political parties in this House, I feel compelled, in common with other honorable members, to refer to the conditions under which the last elections were carried out. So far as I can learn, the experience in Western Australia has been

no exception to the general rule. Things were not satisfactory in the Electoral Department in that State. When the rolls did at last come to hand—and that was only a few days before the election took place—we found that numbers of people had been left off. I found—and it deeply concerned me at that particular time—that a vast number of those whose names had been left off the rolls were working men—miners resident in the constituency. The omission of their names happened in this way: The police compiled the rolls in that State, and went round to collect the names. Unfortunately, a number of people have to live in camps in Western Australia. The men go to work in the morning, and as their wives, in many instances, reside in the eastern States, the camps are left to mind themselves whilst the miners are at work. When the policemen came to a camp, the miner was somewhere else, probably in the bowels of the earth, and so the policeman walked along to the next camp. In this way thousands were left off the roll. Not a few, not a dozen, but thousands in the Kalgoorlie constituency went to the polling-booths on the day of the election and were unable to record their votes. I have heard this matter referred to by other honorable members who have spoken, and although I do not wish to tire the House, I desire to place upon record my absolute disapproval of the manner in which the Electoral Department was conducted in Western Australia. I hope this will be remedied in the near future.

MR. SYDNEY SMITH.—There ought to be an inquiry.

SIR JOHN FORREST.—Why did not the people look beforehand to see that their names were on the roll?

MR. FRAZER.—The rolls were not there for them to see. I was unable to get the rolls for the district until two days before the election actually took place, and, so far as the lists of supplementary names were concerned, some did not reach their destination in time for the election.

SIR JOHN FORREST.—The rolls had to be exhibited for a month before the election.

MR. FRAZER.—If they were exhibited it must have been in some back room of a Government office in Western Australia, which was not generally known to the public. Another question upon which I desire to say a word is the Government proposal to assist immigration.

Like the speaker who preceded me, I believe that if the Federal Government intend to take this matter up, they are starting at the wrong end. I repeat the utterances of some other honorable members, when I say that, whilst I would like to see Australia supporting a larger population, at the present time, we have in Australia numbers of men having a knowledge of agriculture who are willing and ready to go on to the land, and would do so if they could get land. The honorable member for Parramatta sarcastically asked by interjection the other day whether all the applications made for blocks in different portions of New South Wales and Victoria were *bonâ fide*. I say they are *bonâ fide*, and if the land were available and men could get blocks, the honorable member would soon find that there would be teams on the road, and agriculturists ready to go to take possession of them. We require to bring about such a condition of things in Australia as will enable us to reasonably settle the people we have upon the land before we think of importing others from across the sea. I feel strongly upon this point, and I believe that Western Australia at the present time is the only State in which this question is being grappled with in a business-like fashion. The Western Australian Government is affording facilities to agricultural settlers to go upon the land, and they are giving them assistance when they get to the land, with the result that they are taking away a number of useful settlers from this portion of Australia. I say that if the Western Australian Government is progressive enough to get "in" on the Governments of the other States and entice useful citizens to that State, they deserve all the good luck they can secure as the result of their efforts. It is idle to speak of bringing people from across the ocean until such time as we are able to settle the thousands we have here who are prepared and willing to go upon the land. There is another matter in connexion with immigration to which I wish to refer. There is a cry raised for desirable immigration to Australia, but I say that there is need for a protest against the undesirable immigration we are getting. I find, from a return placed upon the table of the House during the last few days, that we increased our population during the last twelve months by importing into Australia 793 Italians. So far as I can see no test has been applied to these people. Representing a

Mr. Fraser.

mining constituency, I know what it is to have to deal with Italians upon the labour market of Australia. I know the danger of a large increase of them amongst our white population. Numbers of these fellows get off the ships at Fremantle, get on board the trains, go up to Kalgoorlie, and are employed almost immediately on arriving there, whilst British workmen are thrown out of employment. That is hard, solid fact. They say they do not come out under contract. But they are educated to that when they are coming out upon the boats, and when they get to Kalgoorlie they are gathered together by some one who knows of their landing, taken to one of the wood-sidings or one of the mines, and are given jobs almost at once. Numbers of Italians are employed in the mines of Kalgoorlie who cannot speak and do not understand a word of English.

Mr. O'MALLEY.—That is why they are employed.

Mr. FRAZER. — Perhaps so. They work down in the bowels of the earth, and if an accident were to occur, and if one of these Italians were to be told to go away for assistance, he would not understand what was said to him. Further, in connexion with the signalling that takes place in the mines, these fellows are unacquainted with the conditions that prevail, and are a source of danger, not only to themselves, but to the British workmen who work with them. I do not say that the language test should be applied to every person who may come to Australia, but I do think that the contract provision of the Immigration Restriction Act is being flouted so far as it concerns the Italians who are being landed in Western Australia. I hope that the Government will take the matter into consideration, and see about instituting some more rigid inquiry in that State. In connexion with the Chinese who are landed in Australia, the return which has been presented, and which is a very interesting document, shows that 986 were admitted into Australia during 1903. During the same period ninety-nine Chinese were refused admission by the application of the language test. I find on analyzing the figures that 572 State permits were granted, and there were travelling from State to State 308. It appears to me that a very high percentage of Chinese travel about from State to State, if these figures are correct. But I have reason to believe that they are not altogether correct. I do

not say that they are not correct so far as the official returns go ; but I believe that a system has been instituted in different ports of Australia for providing Chinese with the necessary credentials when they land at any particular port, to make them appear as though resident at that place, thus enabling them to gain access to any part of the Commonwealth. It appears to me that there are too many Chinese coming into Australia, and I believe that the time is close at hand when considerable attention will have to be paid to immigration restriction. I believe that, in order successfully to combat this invasion of undesirable aliens, we shall have to select one port, and one port only, in each State at which they can gain admittance, and at that port a very stringent test and searching examination will have to be applied to them. The proposal to have the Federal Capital question settled as speedily as possible will undoubtedly have my hearty assistance. A pledge has been given under the Constitution that should certainly be carried out at the earliest possible date, and I am prepared to cast a vote for the purpose of having the question settled definitely.

Mr. O'MALLEY.—Is the honorable member in favour of Bombala?

Mr. FRAZER.—I hope the honorable member for Darwin will not question me on that point. Another subject to which I wish to direct the attention of the House is that of the construction of the trans-Australian railway. I am very pleased to see that the Government intend to do something definite. The survey they propose is not all that I should like to see done, but it is a step in the right direction ; and I hope that when the question comes before the House there will be a sufficiently strong body of opinion to authorize the survey of the proposed route. I trust that in a very few years we shall see this great national undertaking an accomplished fact. Another matter about which I desire to say a few words has been mentioned by the honorable member for the Northern Territory. That is the administration of the Post and Telegraph Department. In Western Australia it is unnecessary for me to say that we are a long distance away from our brethren in the eastern States. Consequently we rely to a very large extent upon the telegraph line for the information which is necessary to enable us to keep up to date. But in Western Australia things have not been altogether satisfactory in that Department. Frequently telegrams take any time between

two hours and twenty-two hours to reach their destination. Letters very often get astray ; so do urgent messages ; and, generally speaking, the office, if not altogether up-side-down, is certainly out of plumb. I think that one means of getting over at least some of the difficulties in the way of bringing it right up-to-date, would be to have an interchange of the heads of the Department in the different States. That is a matter which should receive consideration, and I hope that if my suggestion is eventually adopted, the officer sent over when he goes into the Western Australian office will endeavour to inaugurate an up-to-date system. On behalf of the people whom I represent, I ought also to say a word upon another aspect of this question. In Kalgoorlie, during a number of months of the year, the weather is certainly very trying. Honorable members who were over there on the occasion of the opening of the water scheme, will bear me out in that. I think that when an officer has served a number of years, or even a number of months, upon the gold-fields of Western Australia, he should be able to get a transfer to a different portion of the State. That principle has not been carried out to any great extent in Western Australia up to the present time, but I hope that consideration will be given to it in the near future. Another question to which I wish to address myself, and one which to me is of an all-important character, is that of old-age pensions. Reference is made to it in the Governor-General's Speech. Upon this matter I can truthfully say that I am altogether out of sympathy with the Government in their ideas. I think it is a crying shame if the youth and energy of Australia are not prepared in these enlightened days to sanction the necessary legislation to afford more liberal conditions of living to our old and deserving poor. A number of honorable members, including the leader of the Opposition, have expressed the opinion that a system of old-age pensions cannot be inaugurated in the Commonwealth for a number of years. If that were the case, it would be a reflection upon the intelligence of this House. I venture to say that if honorable members are unable, by means of our united intelligence, to devise a scheme for improving the position of the deserving poor in Australia, they ought not to return to this Parliament when they meet the electors at the next election. It is a question which is worthy of the most earnest consideration of every man in this House, no matter to what part he

belongs, it is in the interest of suffering humanity, and I trust that when the Address in Reply has been adopted, and we get to business, honorable members will address themselves to its settlement in unmistakable terms. Another matter upon which I will say a few words is that of conciliation and arbitration. I am pleased that the Government intend to introduce a Bill in the near future. I hope that it will be debated in a spirit that will enable us to bring forth the best measure that our united intelligence can devise, apart from party considerations, for the benefit of the people of Australia. This is a question upon which no party should split, if honorable members are desirous of securing sound industrial conditions for the people of this country. Although we may differ as to how far the Bill should go, the principle of applying arbitration to the whole of the people of Australia remains almost unquestioned by honorable members; at least, I hope so, and I hope to see that measure placed upon the statute-book at an early date. I also desire to say a few words with reference to the introduction of Chinese into the Transvaal. I was very pleased, indeed, to know that the Government had expressed the opinion which the majority of the people of Australia hold upon this subject. I quite understand that there are a few in Australia—there are very few I hope—who take the view that the people of Australia should not express an opinion upon a matter that affects only other parts of the Empire. I do not want to mouth my loyalty to the Empire, and to dilate upon the glorious work that was done by Australian soldiers in South Africa. But I do say that my own experience in Australia—my own experience in the city where we are now meeting—is sufficient to show the disgraceful condition to which the Chinese can degrade our Australian sisterhood and our nationhood, and is sufficient to justify any man in objecting to the Chinese being introduced to a civilized community. I go no further than this one particular case, in which the evidence is sufficient to justify me in supporting the Government in their protest, as I propose to do in a whole-hearted fashion. The only other subject to which I desire to refer is one on which there appears to be some little difference of opinion, as I suppose there always is in political matters, namely, the appointment of an Inter-State Commission. I shall heartily support the Government in their endeavour to

adhere in this respect to the letter of the Constitution at the earliest possible date. There are conditions in Western Australia which would warrant the visit of a Commission almost as soon as it was constituted; in fact, I think that if the Government had carried out their duty such a Commission would have been at work in that State long before now. In conclusion, I desire to express the hope that the debates in this House will eventuate in the best possible legislation for the people of Australia as a whole. I can promise honorable members that I shall vote in no way that will not give to all the people in Australia justice, and I shall oppose the granting of privileges to any.

Mr. WILKS (Dalley).—The honorable member for Kalgoorlie does not seem to be brimming over with love and affection for the leader of the Opposition. The honorable member has told us that he is a keen observer, and that, though he has watched every attitude and movement of the leader of the Opposition, he never heard the latter say one unkind word against the Employers' Federation until it became a known force in the political arena of Australia. As a matter of fact, the Employers' Federation has not, comparatively speaking, been an active force in the political arena of Australia till to-day, and the real attitude of the leader of the Opposition in this respect was shown when he had charge of affairs in New South Wales. When Premier of that State the leader of the Opposition levied charges on the privileged classes, and had to contend and fight for the imposition of land and income taxes. I ask the honorable member for Kalgoorlie whether he, as a keen observer, ever heard of that fact? Apparently the honorable member has never heard that when these taxes were imposed for the first time in the history of New South Wales, the present leader of the Opposition who was then Premier, though only eleven months in office, brought about a penal dissolution as a means of overcoming the action of the Legislative Council of that State. Does the honorable member, with his keen powers of observation, remember these facts? Does he remember how the present leader of the Opposition then applied the pruning-knife to the over-gorged Public Service, with the result of saving £400,000 per annum?

Mr. TUDOR.—Who was keeping him in office?

Mr. WILKS.—The leader of the Opposition, as Premier of New South

Wales, took a penal dissolution, and did not wait for the Labour Party to keep him in office, but went to the country and asked the people to indorse a radical programme. The honorable member for Kalgoorlie asks how it is that parties in this House are so evenly balanced. How is it that the Labour Party scored such a great win at the recent Commonwealth elections?

Mr. FRAZER.—Because the justice of their demands had been recognised.

Mr. WILKS.—Let me suggest that the success of the Labour Party was due to a revolt against the various Conservative Governments in the States. In Victoria the Labour Party held their position as the result of a revolt, and in Queensland the unmistakable verdict given may also be described as a revolt against conservatism. The free-trade party in New South Wales have always been associated with radical thought, whereas the Protectionist Party there have, with few exceptions, been identified until recently with conservative forces.

Mr. CHAPMAN.—Nonsense !

Mr. WILKS.—The Minister for Defence, when a member of the New South Wales Parliament, had to bemoan his lot in being the only radical on the protectionist side. I ask the honorable member for Kalgoorlie, with his keen observance, whether he ever heard of the New South Wales Mines Regulation Act, a radical measure passed by the Reid Administration in the interests of the miner? These facts do not show that there is any new-found love on the part of the leader of the Opposition for the working classes. I am now speaking, out of loyalty to my chief, of how I have found him in the past; and we have now to deal with him as a representative of New South Wales in this Chamber.

Mr. THOMAS.—Who gave the people of New South Wales industrial arbitration and old-age pensions?

Mr. WILKS.—Does the honorable member for the Barrier know that the free-trade party of New South Wales, led by the present leader of the Opposition, brought industrial arbitration legislation to fruition?

Mr. THOMAS.—Why, the present leader of the Opposition "stone-walled" that legislation all night!

Mr. WILKS.—Old-age pensions were the work of Senator Neild, and the proposals of the free-trade party in this connexion were stolen by the protectionist party and passed into law. But the Address in Reply

affords pleasanter discussion than the events which I have mentioned. We have heard of two proposals of marriage—one to the leader of the Opposition from the swarthy Prime Minister, and the other suggested by the leader of the Labour Party.

Mr. DEAKIN.—"How happy could I be with either."

Mr. WILKS.—"Were t'other dear charmer away." That quotation represents the true position of Australian politics to-day. The Prime Minister wants to destroy a third party, and does not care which. He would like any lover, and if he took the leader of the Opposition he would get one "fair, fat, and forty," while if he took the leader of the Labour Party he would get a slim partner—"slim" in more ways than one. But apparently the leader of the Labour Party is in the position of a young lady with prospects, who is not so anxious to exchange her lot as the lady of the Opposition, who is rather advanced in years, and may not have opportunities in the future. You, Mr. Speaker, have to undertake many duties during debates in this House, but I do not wish to inflict on you a re-delivery of my election addresses, though you may take my word they were very attractive. The leader of the Opposition has said that there is an armed truce; that though the stalwart free-traders of New South Wales are armed *cap-a-pie*, they will act in harmony with the protectionists during the term of this Parliament, but that at the end of that term they may go forth and fight the battle. That seems a very difficult position. If the leader of the Opposition is anxious to join the swarthy Prime Minister, and get into a more pretentious house, that house may be found to be too pretentious for some of the free-traders of New South Wales. As a radical, I, at any rate, may be content to live in a more unpretentious dwelling in the suburbs of this Parliament. After the verdict of New South Wales, I cannot understand how there can be fiscal peace. There were nineteen free-traders returned from that State, and both leader and rank and file declared that there could be no such thing as peace. A truce is not warranted by the state of the labour market to-day. I cannot understand how we can be armed to the teeth, and remain friendly with the Government, and assist them for three years, when we have declared emphatically that this matter shall be settled. The Ministerial party attained

one result in New South Wales. They were returned with the sole and solid support of the honorable member for Richmond, and the Prime Minister must be very careful not to offend that honorable member, or the Government may lose the bulk of their support from that State. We have had two and a half years of the benefits of protection, and the industrial position in my own and neighbouring electorates is the worst known in the history of New South Wales. In the very trades which were supposed to be assisted by the beneficent policy of protection there are hundreds and hundreds of men who can obtain no work.

Mr. DEAKIN.—The honorable member opposed the bonus for the manufacture of iron.

Mr. WILKS.—Exactly, because we as a party did not want it; but with all the duties imposed by the Tariff, the industrial condition in the electorates I have mentioned has never been worse than it is to-day.

Mr. WILKINSON.—The honorable member and his party cut the duties too low.

Mr. WILKS.—How high does the honorable member want the duties to be? There was no want of employment prior to the passage of the Tariff; and as a free-trader I ask how I can subscribe to fiscal peace under those conditions? Then, if the issue of free-trade and protection be removed, a great deal of life will be taken out of politics, and many politicians will find themselves without stock-in-trade, while the pabulum of numerous leader-writers for the newspapers will be gone, though, doubtless, some other issue will arise. Of course, if a Reid-Deakin combination introduced radical measures I should, as a radical, support them, just as I feel compelled to support similar measures introduced by the present Government. There is, for instance, the question of the employment of lascars on mail steamers, a matter on which the House is very much divided. The bulk of the free-traders are radical in thought, and they supported the prohibition of the employment of these men—at least, I did, and shall continue to do so. I have heard arguments used to the effect that the Government should “weaken,” and strike that provision out of the Post and Telegraph Act; but those arguments do not “hold water.” It is said that the lascar is employed, in the first place, on the score of his cheapness, and, in the next place, for his amenability to discipline. Those who have anything to do with shipping matters know

that engineers prefer lascars, not because they are the better firemen, but because they are amenable to discipline, and while the ship is in port do not go off on “benders” or “sprees,” as do the white stokers. He is there when he is wanted. But no engineer will tell you that a white man, after he has been a day at sea, is not a far better fireman than a lascar. To those who are strong on Empire questions—and that seems to be the position to-night—I would say this: that it is not wise to encourage the employment of lascars inasmuch as that Great Britain experiences great trouble manning the fleet with British seamen, and still greater difficulty in obtaining British firemen. If the mercantile marine do not train white men as stokers, how can we, in a time of national danger, expect the navy to be efficiently manned and worked. Lascar seamen we know are unfit for the position, both physically and otherwise? I hold that in Australia we are performing Empire work when we discourage the employment of lascars as firemen. Train a white man in the mercantile marine, and then in time of danger he can be passed into the navy. I notice that in the opening speech the Government suggest the early appointment of an Inter-State Commission. I trust that they will hesitate before they take any step in that direction. We were told of the danger which would accrue if a High Court were not appointed. We agreed to the creation of a High Court, and the only danger which has accrued is that we cannot find any business for the Judges to do, and that Court has now to be used as a Court of Disputed Returns to deal with electoral petitions.

Mr. DEAKIN.—Eight cases are waiting to be heard in Sydney now.

Mr. WILKS.—Mr. Justice O'Connor, after three months of weary work in the High Court, had to take a six months' trip to South Africa to recruit his health. We who opposed the early establishment of the High Court—not its ultimate establishment—on account of the expense which it would entail, were looked upon as narrow-minded persons with no powers of perception, with no idea of Australia's future or grandeur. I trust that the Inter-State Commission will not be established on a similar basis to the High Court, because, in my opinion, Australia cannot afford to have fancy tribunals, and to give fancy salaries to either politicians or to privileged friends of the Ministry. The selection of a site for the Federal Capital affects New

South Wales a great deal. I hope that the settlement of this question will be hurried on, and that if there is any delay all the members from New South Wales, including the great majority of the protectionist members, will combine and oppose the passing of any measure in this House until a remedy is found. I hope that that stand will be taken if a disposition is shown to defeat the early establishment of the Federal Capital in New South Wales. I am not dealing with a particular site; I am only asking that the compact in the Constitution shall be carried out at the earliest possible moment.

Mr. DEAKIN.—Hear, hear.

Mr. WILKS.—I am glad to hear that remark from the Prime Minister, and I trust that there will be no attempt made to burk or prevent the settlement of this question. I believe that if any such attempt were made there would be sufficient strength on this side of the chamber to make a stand and prevent the Government doing any business. I think that several new members who have spoken will, with very little training, make very good workers in that direction. I trust that this question of the Federal Capital will not be kept dangling much longer before the people of New South Wales, like carrots before a donkey, and that a site will be selected this session. I notice that the Prime Minister nods his acquiescence in that expression of my hope. Referring to the question of preferential trade, I notice that in the opening speech a reference is made to the invitation to Mr. Chamberlain. If he has been asked to come here as a partisan it was a most indecent invitation to give. We shall be glad to welcome him as a well-known and highly respected statesman in the Empire—as a man who, whatever his views may be, stands prominently before the world. Those British Ministers who have been most hated by foreign countries have always been the most powerful in the old country. And Mr. Chamberlain did undoubtedly bring down upon his head the hatred of foreign nations as much as Lord Palmerston ever did. For that reason, and that alone, I should offer my humble tribute of respect and admiration to him, if he should ever visit these shores. I recognise the good work which he performed in the Colonial Office. But to invite him to come here and to take up the active work of a partisan in a battle in which the members of this House are to be engaged is absolutely indecent, and is

dangerous to the best interests of this Commonwealth. I think that a man of his clear perceptive faculties cannot and will not accept an invitation on those terms. I shall touch lightly on the question of preferential trade. We are told now by the supporters of the Prime Minister, and by himself, that the free-trade policy of Great Britain has not been a success, and that because it has not been a success they require to establish what is termed preferential trade. And we are told in the opening speech that if we respond to that invitation it will immediately open to us “an immense and reliable market”—a splendid phrase, indeed. No man in Australia is a greater master of phraseology than is the Prime Minister. No man in Australia can word a sentence in a more captivating manner than he can. He says that by the acceptance of preferential trade an immense market will be opened. An appeal is there made to our mercenary instincts. We are told that immediately the doors are closed against somebody else other doors will be opened, that an immense trade will result, and that the policy of free-trade has been a huge failure in the old country. I wish now to quote a few figures hurriedly prepared in answer to the honorable member for Melbourne Ports, who brought the matter before the House. Assuming that 100 represents the whole trade of Great Britain, she imports from foreign countries 80 per cent., from British India 7 per cent., from Australasia 7 per cent., from Canada 4 per cent., from British South Africa 1 per cent., and from other British possessions 1 per cent. The trade of Australasia to Great Britain represents nearly twice as much as the trade of Canada to Great Britain. In other words, under existing conditions, Great Britain purchases 7 per cent. of her imports from Australasia, and 4 per cent. from Canada. Let us now take the exports of Great Britain to foreign countries and her various possessions. The exports to foreign countries amount to 63½ per cent. Great Britain buys 80 per cent. of her imports from foreign countries, and sells 63½ per cent. of her exports to foreign countries. Of course, some persons will say that she loses on the transaction. But the position is that if she buys 80 per cent. of her imports, and sells 63½ per cent. of her exports, she has made the difference in the transaction accounted for in her shipping and her freights. If the honorable member for Melbourne Ports could get 80 sovereigns out

of me, and give me only 63½ sovereigns, he would realize that he would benefit by the transaction.

Mr. MAUGER.—Nonsense.

Mr. WILKS.—It is a great stretch of imagination on my part to suppose that he could. I admit that it would be impossible for me to get 80 sovereigns out of him, and I fancy that it would be equally difficult to get 63½ sovereigns out of him. The exports from Great Britain to British India represent 14 per cent., to Australasia 9½ per cent., and to Canada 3 per cent. It will be seen that Great Britain to-day is selling us more than she buys from us. Notwithstanding the adverse conditions in Australia, and the better conditions in Canada, the exports from Great Britain to Australasia represent 9½ per cent., to Canada only 3 per cent., to British South Africa 6 per cent., and to other British possessions 4 per cent. The total trade of Great Britain—that is, imports and exports—under the bad conditions of 1902, amounted to the enormous sum of £878,000,000. Under this benighted policy of free-trade, under this policy which is bringing ruin and devastation in its train, the total volume of trade of forty odd million persons stood at £878,000,000. The total volume of the external trade of the United States amounted to £471,000,000, protected as it is by a tariff which has to be borne by a population of 70,000,000. We find that a population of 70,000,000 persons, after paying a high rate of taxation, do an external trade of £471,000,000, while the little country of Great Britain, with its area of 121,000 square miles—a mere fly-speck on the map of the world—under a benighted policy of free-trade does an external trade of £878,000,000. Then we are told that there is such a thing as fiscal federation. If we are to have fiscal federation that must imply a sacrifice of the interests of the British consumer. It cannot be a one-sided trade. They cannot open the doors to Australian produce and give us a preference—whether it is in the case of butter or wool, or hides, or other raw products—without our doing something in return. To be preferential we must be reciprocal. And if we are reciprocal to what industries of Great Britain can we open our ports, even from the protectionist standpoint, unless they are of a manufacturing character? I put this argument to the honorable member for Melbourne Ports, a known protectionist, and the secretary of a Protectionist Association, who now talks

of preferential trade. Either he means a thorough preference, or he means a smart and close bargain. If he means a smart and close bargain, then it is not a policy which should commend itself to the Empire. And if he means a preference, he must be prepared to drop his protectionist doctrine, as it applies to manufacturing industries. For instance, locomotives are, if anything, one of the main products of British industries. Birmingham, Leeds, and other large centres, if they are famed for anything, are famed for the manufacture of locomotives. Will the honorable member take the case of the tenders for the manufacture of twenty locomotives in New South Wales at a cost of about £350,000? There is trouble in regard to the tenders. If he is a preferentialist he must say "Oh, no; you shall not manufacture those locomotives in New South Wales; you shall not give employment to your ironworkers in New South Wales, because the price which we are going to pay for what is called preferential trade is that the Britisher shall send his manufactured goods in exchange for our raw products." If it does not mean that, it means nothing.

Mr. MAUGER.—It does not mean that, and it means a great deal.

Mr. WILKS.—Unquestionably Mr. Chamberlain meant that.

Mr. THOMAS.—He said that in his Glasgow speech.

Mr. MAUGER.—He has said something since then.

Mr. WILKS.—In his Glasgow speech the inducement he held out to Australia was that those who are protectionists should not go further on the lines of protection, that any industries which had not yet been established under protection should not be established in the future; that industries which might come in conflict with the industries of Great Britain should not be brought into existence.

Mr. MAUGER.—He withdrew that statement.

Mr. WILKS.—We were told by the honorable member and others, in order to cloud the issue at the general election, that the question of free-trade or protection was not at stake. They did not defend the policy which they had imposed on the people of Australia—a policy on which the people of Australia could speak, from personal experience, with a powerful voice at the ballot-box—but they advocated fiscal peace and preferential trade.

Mr. MAUGER.—That is where we scored.

Mr. WILKS.—If what happened at the elections was a glorious victory for the Government Party, what would they call a defeat? Can it be a victory for a party to be returned reduced in numbers? How can they have scored when there are ten men missing from their ranks?

An HONORABLE MEMBER.—If they had lost another supporter, they would not have been represented here at all.

Mr. THOMAS.—They have scored in being able to maintain their position, and the Opposition cannot shift them.

Mr. WILKS.—I am very glad that the members of the Labour Party have not shown much favour to the preferential trade proposals. The workers of Great Britain oppose the adoption of a system of preferential trade, because they are not prepared to pay more out of their scanty wages for the food they have to buy. While their leaders are fighting against preferential trade, it is reasonable to assume that their fellow-workers in Australia will not fight for it.

Mr. WATSON.—We do not wish to impose taxation upon them. It is for them to say whether they will, or will not, have preferential trade.

Mr. WILKS.—Exactly. I am glad to hear the honorable member for Bland say that. The Prime Minister made the question a burning one at the elections. He wrote in large letters upon his banner, "Fiscal peace and preferential trade."

Mr. JOSEPH COOK.—And "loyalty."

Mr. WILKS.—Yes, though loyalty to the Empire will be found as much on this side of the chamber as on the other. The Empire, however, is not always to be spelt with a large "E." Men have to consider the circumstances of their own families. However, the Prime Minister has given us an easy rail to sit upon by saying that nothing is to be done in the matter until a proposal is received from Great Britain. We, who are free-traders, have always been working for freer trade throughout the world. I agree with the honorable member for Lang that, as we must have a revenue tariff, if money could be raised by taxing the foreigner only it would be a good thing to adopt that course. But would protectionists agree to anything of the kind? Is it not their proposal to maintain the rates of duty now imposed upon English imports, and to increase the rates upon foreign imports?

Mr. McDONALD.—Is it not all rather a matter of business than of loyalty?

Mr. WILKS.—Exactly. But the sentimental side of the question has been put forward, and honorable members know how powerful the effect of sentiment is. Federation was brought about by a wave of sentiment which swept through Australia. We, on this side, can be as sentimental as other honorable members, and, if need be, can use our sentiment as effectively as they can. We do not wish, however, to appear to be hostile to the mother country. In Great Britain, as the result of by-election after by-election shows, the victory is falling to those who oppose preferential trade and the introduction of protection. The Prime Minister accounted for the defeats of the supporters of Mr. Chamberlain by saying that these defeats were due to the feeling of the people in regard to the English Education Act. I am afraid that, in making that statement, he was raising the sectarian issue. The Education Act is as much a sectarian matter in Great Britain as the fiscal question is in New South Wales. The Nonconformist Party there is fighting against the Act as keenly as any party in opposition ever fights in Australia, and yet we never hear it said that the sectarian issue is being raised. As a representative of the people, I shall always be very happy to see in our midst, addressing our electors, the leading men of the old world; but I do not wish them to come here as partisans, or as the invited guests of the Government. The statement in the Governor-General's Speech is apparently a declaration of the intention of the Government to invite Mr. Chamberlain here to take an active part in our political warfare. Such a thing would be a tactical blunder, and I cannot think that the intention of the Government is what we have been led to believe. If it be their intention, the Prime Minister should boldly declare it. It would be altogether a different matter if Mr. Chamberlain came amongst us merely as a distinguished statesman from another part of the Empire.

Mr. DEAKIN.—It would be impossible for him to visit this country without speaking upon the subject nearest his heart.

Mr. WILKS.—Will he be invited to speak as a partisan, or will he make his own arrangements?

Mr. DEAKIN.—The Government cannot bind him. We cannot say how he should speak.

Mr. DUGALD THOMSON.—It will be a militant visit.

Mr. DEAKIN.—It will be an educational visit.

Mr. FISHER.—Will the Government invite Lord Rosebery, too?

Mr. WILKS.—If Mr. Chamberlain attaches so much value to his scheme for preferential trade, and thinks so much about cementing the Empire, he will not require the invitation of this Government, or of the Governments of Cape Colony and of Canada. If the matter is one dear to his heart, and he thinks he can forward his cause by coming here, no doubt he will come. But I object to an invitation being sent to him by the Government. I do not object to his presence among us. There is another matter to which reference has been made to which I wish to allude as briefly, as calmly, and as mildly as I can. I heard some one say that certain things were to be deprecated and regretted. Now, in Parliament we should be manly enough to express our agreements and disagreements without using the words "deprecate" and "regret." We have to face the questions which are brought before us, and this is a matter which I do not feel the slightest delicacy about facing. I do not wish to hurt any one's feelings; but I am resolute in referring to the subject. It was introduced into this debate by the leader of the Labour Party.

Mr. FISHER.—He did not introduce it as leader of the Labour Party.

Mr. WILKS.—No doubt that alters the position; but the fact remains that he introduced the subject. During the three years of which we have had experience of him in this Parliament, he has been noted for his level-headedness. I do not say that to flatter him, but honorable members will agree with me that his leadership of the party, and his public appearances in this chamber have been characterized by the quality of level-headedness. In my judgment, however, he lost his balance the other night when he attributed the overwhelming victory of the free-trade party in New South Wales to the sectarian issue. I do not wish honorable members to think that I am trying to turn the sitting of the House into the meeting of an Orange lodge in full blast, or into the assembly of a Hibernian society in full session. This is not a rehearsal for either the 17th March or the 12th July. But the fair fame of New South Wales has been traduced by the honorable member's remarks, and I think he must see that he has done an injury to that State. To quote the worst that

has been said on this subject, let me remark that it has been stated that the man who works on a sectarian issue is an enemy and traitor to his country.

Mr. McDONALD.—I said that. It should not be attributed to the leader of the Labour Party.

Mr. WILKS.—Reference has also been made to a "sectarian serpent," and to the "dirty issue" of sectarianism. If anything worse is to be said on the subject I should like to hear it now. The remarks I have quoted are strong, and a man must be pretty cool to bear with them. Many honorable members know the part which I have played in New South Wales in regard to this matter. I do not wish to abuse my position here, but I desire to put forward as clearly as I can, for the information of honorable gentlemen who are not acquainted with what has taken place in New South Wales, and the nature of the sectarian issue raised there, the actual state of affairs.

Mr. McDONALD.—We do not wish to know anything about the matter.

Mr. WILKS.—The free-trade victory in New South Wales has been attributed to the raising of the "dirty issue" of sectarianism, and I feel bound to contradict that statement. It is a remarkable thing that sectarianism is always used as a reproach to one side only. In the minds of many public men and writers it seems to be equivalent to Protestantism, though why it should be levelled at Protestants more than at those of other creeds I do not know. A sectarian is a bigot, whatever his creed. A man's religious belief is his own concern, and not that of any one else. His religion is a matter between himself and his Maker, between the creature and the Creator, and no concern of any one else. Whoever raises a religious issue is undoubtedly a "sectarian serpent," a diabolical scoundrel, and a traitor to his country. But there has been nothing of the kind. Prior to the election, however, there was in New South Wales a Protestant organization. I ask the democratic member for Bland whether he is prepared to contend that bodies of electors have not the right to organize to secure the enforcement of any principle which they strongly support. He may think it a small principle, a dirty and despicable issue; but, as a politician, will he contend that electors have not the right to organize for any political purpose? The Protestants of New South Wales, whether they be despicable or otherwise, and whether the issue be dirty or otherwise, were within their political rights

in organizing for the election; whether they were or were not ill-advised in doing so is a matter of opinion. The honorable member for Bland may regret what took place, but it is merely his opinion that it is a matter for regret. The Protestants had an organization—not a secret and despicable one, because it was open and avowed. The platform of the organization was known, published, and understood, and was accepted or rejected by candidates. There was no underground engineering.

Mr. FOWLER.—What was the political object?

Mr. WILKS.—We shall come to that presently. The first plank in the fighting platform of that party was as follows:—

If elected, will you support the settlement of the question of ecclesiastical precedence on the principle of priority being given to the Churches in the order of numerical strength?

The honorable member for Kennedy may not like that, and if so, he is at perfect liberty to vote against it; but I would ask whether a man who subscribes to that principle should be called a traitor and an enemy to his country.

Mr. McDONALD.—I believe that a sectarian bigot, upon whichever side, is a traitor and an enemy to his country, and the honorable member may wear the cap if it fits him.

Mr. WILKS.—I do not think that I have ever shown myself to be a bigot, or that I have ever deserved the title of a traitor and an enemy to my country. Surely there is nothing wrong in the proposition which I have just quoted. It embodies the democratic principle that the majority should rule. The Protestants simply ask that priority shall be given in ecclesiastical matters, not to one church or sect, but to that body which has the greatest numerical strength, and that effect shall be given to the democratic principle of majority rule. Still, we are told that the trail of the "sectarian serpent" is over all those who subscribe to that plank. The next plank in the Protestant platform is —

Will you support any measure that may be introduced to abolish absolutely State aid in any form to denominational institutions?

That cannot be called narrow-minded or bigoted in any sense. No exception is made in favour of Protestant or other denominations, but the desire is to exclude all sects from the advantages of State aid.

Mr. BAMFORD.—What connexion has that with Federal politics?

Mr. WILKS.—The next plank is—

Will you do your best to maintain the general principles of the existing laws on education which obtain in the Public Schools Act of this State?

I do not see anything narrow-minded in that. It simply expresses a desire that the system of education to which the people of New South Wales have been accustomed for many years, and which has been fully approved, shall be maintained. There has been no agitation for any change.

Mr. SPENCE.—The Federal Government does not control educational matters, and, therefore, that has nothing to do with us.

Mr. WILKS.—The next plank is—

Will you support any measure that may be introduced to provide that all industries, homes, and reformatories, where labour is employed, shall be subject to inspection, and made to conform to the provisions of the Factories Act?

Surely no honorable member belonging to the Labour Party can oppose that, because it supports the general application of legislation of a democratic character, which has been adopted in the interests of humanity. Can a man who supports that principle be regarded as an enemy and a traitor to his country? A further plank in the Protestant platform is—

Will you support a measure for the more effective preservation of the Sabbath as a day of rest and Divine worship?

Surely there is nothing objectionable wrong in that. The last plank is as follows:—

Will you endeavour to obtain a fair and equitable distribution of patronage and employment in the Public Service to persons of all denominations?

I do not see what objection can be raised to that. It applies to all denominations, and does not ask that preference shall be given to any. The only one of these planks which applies to matters within the sphere of Federal politics is the first.

Mr. BAMFORD.—There is not a word about free-trade in the platform.

Mr. WILKS.—The honorable member is quite right, but from what the honorable member for Bland said, one might have imagined that free-trade and sectarianism were synonymous terms. The honorable member would have led the House to believe that the "dirty" sectarian issue and free-trade were practically the same.

Mr. WATSON.—I did not say anything of the kind. I did not say a word about free-trade.

Mr. WILKS.—One would have gathered from the remarks of the honorable member

that sectarianism had become indissolubly associated with the free-trade cause. The honorable member also said that the Labour Party had not touched sectarianism. All I can say is that if the Labour Party has not touched sectarianism, sectarianism has touched them. It is my duty to prove that statement. I find that Cardinal Moran, the leading prelate of the Roman Catholic Church in Australia, was interviewed by the Rome representative of the *Cork Examiner*, an important Irish daily, and that he stated that twenty-five of the twenty-eight members of the Labour Party in the New South Wales Parliament were Catholics.

Mr. WATSON.—That is not true, and I do not believe that Cardinal Moran ever said it.

Mr. WILKS.—But the statement has not been contradicted.

Mr. WATSON.—It is so palpably untrue that there is no necessity to contradict it.

Mr. SPEAKER.—Does the honorable member think that that question has anything to do with the Address in Reply?

Mr. WILKS.—It applies to this extent: the honorable member for Bland stated that the Labour Party had not touched sectarianism, and my object is to show that sectarianism has touched the Labour Party.

Mr. SPEAKER.—The honorable member cannot follow up an irrelevant interjection by making it a matter of debate.

Mr. WILKS.—The remark of the honorable member for Bland did not take the form of an interjection; I am replying to statements made in the course of the honorable member's speech in this debate.

Mr. SPEAKER.—The honorable member is not entitled, on any ground, to travel beyond the question under debate.

Mr. WILKS.—The point is that it was stated that the free-trade majority in New South Wales was secured by the introduction of the sectarian issue.

Mr. WATSON.—I did not say that, but quite the contrary.

Mr. WILKS.—The honorable member suggested that the sectarian issue was a dirty issue, and had been introduced by the free-trade party.

Mr. WATSON.—I did not say that the free-trade majority had been secured by its means.

Mr. WILKS.—The honorable member said that the sectarian issue had been introduced by the party, and I now wish to show

that the Labour Party are not so free from the taint of sectarianism as they wish people to believe.

Mr. McDONALD.—Will the honorable member give us some instances in which the Labour Party have been associated with the sectarian issue. I do not know of any.

Mr. WILKS.—That is what I am now endeavouring to do. I wish to show that the Labour Party are not so free from sectarian influences as they represent. The honorable member has the right to exercise his private judgment in regard to sectarian matters, and if I exercise a similar privilege no one is entitled to tell me that I am a traitor and an enemy to my country, or that I am making undue use of the "serpent of sectarianism, which is like a hydra-headed monster worming its way through a morass of prejudice and hatred."

Mr. McDONALD.—Why does not the honorable member adopt the definition of sectarianism given by the leader of the Opposition?

Mr. WILKS.—I shall refer to that. The report to which I have just referred has not been contradicted, and it is clear from that statement that sectarianism has touched the Labour Party, who have not reprobated the sectarian influence exercised on their behalf. If the Labour Party had expressed their disapproval of the sectarianism shown on the other side as well as of that shown by the Protestant organization. I could have understood them. I could have fully entered into their position if they had said "a plague on both sides," but I cannot understand their regarding everything done by one side as vile and despicable whilst looking upon the actions of others as fair and legitimate. The *Catholic Press*, the official organ of the Labour Party—

Mr. FOWLER.—What?

Mr. WILKS.—I mean the official organ of the Catholic party. That was a slip of the tongue. As a matter of fact, the *Catholic Press* is the official organ of the Labour Party; and although my first statement was a *lapsus linguae*, it was substantially correct. Two and a-half years ago the conductors of the *Catholic Press* advised their co-religionists to swarm the labour leagues, and as they swarmed in, the other side swarmed out. The honorable member for Bland contradicted my statement that the victories of the Labour Party at former elections had been due to the Protestant vote, but I would point out that in 1891 and 1894 the

main support received by the Labour Party came from the ultra-Protestants.

Mr. THOMAS.—Whom does the honorable member describe as ultra-Protestants?

Mr. WILKS.—I mean the Orangemen.

Mr. THOMAS.—Does the honorable member mean to say that he and Mr. Sydney Law secured victory for the Labour Party?

Mr. WILKS.—No, but I claim that the victory of the Labour Party in those years was due to the exertions of the Orangemen of New South Wales, to which body I happen to belong. The Roman Catholics were, at that time, opposed to the Labour Party, but they were afterwards recommended to swarm the labour leagues, and, as they did so, the other party swarmed out. I do not wish to gloat over the probable consequences of mistakes made by others, but I venture to think that the remarks made by the leader of the Labour Party during this debate will do his party incalculable harm at the next elections in New South Wales. With regard to the candidates who were selected by the Protestant organization, I find that out of twenty-two Protestants who were chosen, seventeen were returned.

Mr. SPEAKER.—I do not think that the honorable member ought to refer to that matter.

Mr. WILKS.—I shall be very pleased to refrain from any further remarks upon that point. I do not wish to labour the matter, but simply to defend myself and others against the aspersions of the honorable member for Bland. It is just as well, when matters of this kind are introduced, to grapple with them as strongly as one is able. The right of people to organize for the purpose of securing the adoption of that which they regard as a vital principle must be conceded, and, further, every one must grant that they have a right to make such principle an issue at an election. If the honorable member for Bland has such lofty ideas and such exalted notions, that he can refuse to indorse the platform of an organization like that referred to, he is at perfect liberty to take his own course. But I would point out that, at least, one member of the Labour Party carried the banner of the much-abused Protestant organization in New South Wales.

Mr. WATSON.—Who was that?

Mr. WILKS.—The honorable member knows that it was the representative of one of the Sydney electorates, who is not present to-night.

Mr. WATSON.—No; he disowned the Protestant Defence League.

Mr. WILKS.—He did not disown it publicly.

Mr. WATSON.—Yes he did; he had his name withdrawn from their lists.

Mr. WILKS.—His name was published and circulated. However, I do not wish to deal any further with this matter. I have no desire to introduce a discussion upon religious matters. I do not pretend to have any spiritual fervour. I have no wish to enter into a disquisition upon the old politics of the skies. We are told—

The Cherubim know most,
The Seraphim love most;

The gods shall settle their own quarrels.

I do not desire to appear as the champion of any religious belief. On the other hand, I do not disown the organization to which I belong. It is a political organization, and has had work to perform in New South Wales of which the story is unknown to others. I see no reason why a politician should not stand upon the issue put to the country by such an organization, or why, upon subscribing to its platform and receiving its support, he should be accused of doing something inimical to the best interests of the country and contrary to one of the foremost of democratic principles. Personally, I shall not allow any man to so accuse me without trying to refute the charge. It is not true that sectarianism, so far as it manifested itself at the recent elections in New South Wales, was "a hydra-headed monster worming its way through a morass of prejudice and hatred." I admit that the free-traders in that State worked more in harmony than those of any other State; but the fact is that the free-trade cause is strong, not only because of the soundness of the principles underlying it, but also because a large number of its adherents are associated with the radical thought of the community. It appears to be impossible for Victorians to understand that a free-trader can also be radical, and that is the main cause of the difference that exists between us. Whether the political marriage, which has been the subject of so much suggestion, is consummated or not—whether the Prime Minister in his amorous mood pays his addresses to the slim Miss Watson or to some other lady—I am prepared to await events. If the fiscal issue is not raised, we cannot vote upon it; but there are proposals for bounties and other things which hinge upon protectionist

principles, and upon these I shall vote in strict accordance with my fiscal professions. I should like to say that the experience of protection in New South Wales has not been such as to render its population anxious for fiscal peace. There the workers to-day receive less employment than they ever did. The honorable member for Bland attacked the leader of the Opposition for not having sunk the so-called sectarian issue. But even had the right honorable member attempted to sink it, he would have failed to achieve his object.

Mr. CROUCH.—He would have sunk.

Mr. WILKS.—Whether that be so or not, the leader of the Opposition is quite capable of defending himself. So far, he has not declared himself from the public platforms of New South Wales upon the sectarian question. I regret that he has not done so. He must hold opinions upon it in common with every other man. I had hoped that he would have expressed those opinions freely. He should either say "Yea" or "Nay." To abstain from doing so does not evidence much moral courage. To my mind there are responsibilities attaching to politicians of to-day from which they cannot escape so readily as they could in the past. I trust that honorable members who may fancy that I have a "bee in my bonnet" upon this particular matter, will not imagine that it is like Macaulay's broth, and that I wish to introduce it upon every conceivable occasion. That is not so. At the same time I deemed it my duty to reply to the statements which have been made by the honorable member for Bland. I do not think that this Parliament ought to be an Orange Lodge in full blast, or a Hibernian Society in full session. But there are times when men are compelled to speak their innermost thoughts. I trust that the ill-advised remarks which have been made about the Protestants will not be repeated in this House. Passing from that question, I desire to say that to my mind the Governor-General's Speech, like *Black House*, starts in a fog and ends in a fog. Indeed, it is in a perpetual state of fog. The phrase "awaiting developments" occurs throughout very frequently, as if the Ministry are awaiting a turn in the political tide. If the Prime Minister can wait, I can wait. If the leader of the Opposition sees his way to sink the fiscal issue and to combine with the Prime Minister, then my feeble support shall go in the other direction. If it

goes in the other direction, I suppose I shall have to live in the suburbs, but if my yellow-green friends will allow me, I shall be found sitting not far away from them. We know very well that the people of Australia desire to obtain radical measures such as the Conciliation and Arbitration Bill. The electors in my division require that measure, and in an endeavour to interpret their wishes aright my vote shall be cast in support of it. But how any coalition of opposing political forces such as that which has been suggested is to be brought about, I utterly fail to understand. I trust that the Prime Minister will adhere to the radical side, and allow the railway servants to be brought within the scope of the Conciliation and Arbitration Bill. I thank honorable members for having permitted me to refer at such length to the sectarian cry which has been raised in this House. The desire of those Protestants in New South Wales who organized during the recent campaign was not to breed sectarianism, but to scotch it, in order that people for ever afterwards might live in harmony, and that, in the words of King John, they might "tell this tale"—That the dominance of the priest shall not continue.

Mr. HUTCHISON (Hindmarsh).—I have listened with a good deal of pain to some of the remarks of the honorable member who has just resumed his seat. In reply to an interjection in regard to the sectarian cry which I regret has been raised in this House, he said that it would work much damage to the Labour Party at the next election in New South Wales, which is a clear indication that he believes that issue will be raised, and that he is anxious to raise it. Having listened with close attention to the speech of the clever but tortuous leader of the Opposition, and the brilliant reply of the Prime Minister, I have a certain amount of diffidence in taking part in this debate. I followed the remarks of the Prime Minister with very great interest, especially when he gave a fine exposition to this House of the new development of fiscal thought. With consummate skill and subtlety, he endeavoured to induce honorable members to believe that the gulf between the free-traders and the protectionists had now become so narrow that one could step over it. In listening to him I almost anticipated that he would fall upon the neck of the leader of the Opposition as though he were a long-lost brother, and weep tears of joy that they had found each other, and need be separated no longer. But though there were

bright passages to both deliverances, they seemed to me to constitute only the little by-play of contending lawyers. It was only when the leader of the Opposition attacked the Labour Party that he "flung forth his foam, impatient of the wound inflicted upon him." I resent his imputation that that party is ready to enter into any dishonorable bargain. It has not done so in the past, and I am satisfied that its members will never use anything but legitimate and honorable means to secure the enactment of its platform, which has been approved by such a large number of the electors of the Commonwealth. So far as South Australia is concerned, the principal issues which were placed before the people at the recent elections had reference to the Conciliation and Arbitration Bill, the Navigation Bill, and the question of old-age pensions. These were considered the matters that most urgently required to be dealt with by the Commonwealth Parliament this session. Personally I exceedingly regret the attitude which has been assumed by the Government upon the Conciliation and Arbitration Bill. I am sorry that they cannot see their way to make that measure applicable to public servants. I am surprised that a Ministry with such a radical head should be willing to compel private employers to submit to terms which they will not impose upon public employers. That is a piece of sectional legislation to which I am sure the Labour Party will not subscribe. In the matter of the employment of coloured labour upon subsidized mail steamers, I trust that this House will also refuse to make any exception. I see no necessity for departing in the slightest degree from the great principle of a white Australia. I do not believe in having a white land and an inky ocean. We wish to have a white Australia and to insure that our factories and ships shall be worked by white labour.

Mr. CONROY.—Are they "our" ships?

Mr. HUTCHISON.—At any rate, we have to pay the subsidies. I would point out to the honorable and learned member that the legislation which has been enacted in reference to this matter does not go so far as the law in either Germany or the United States. In the latter country, as honorable members are aware, they refuse to allow oversea vessels to carry a single passenger or pound of freight from one port to another. In Germany, all vessels which are subsidized by the Government must be manned by white crews. I think

that is an example which might with advantage be copied by the Commonwealth.

Mr. DUGALD THOMPSON.—But it is not a German colony which makes that law.

Mr. HUTCHISON.—The German Government insists that all subsidized vessels shall be manned by white German crews—a piece of legislation which might with advantage be emulated by us. We do not propose to prohibit white sailors from any part of the world from obtaining employment on these vessels—

Mr. KELLY.—Is such a condition attached to the German subsidy?

Mr. HUTCHISON.—I understand that all vessels subsidised by the German Government are required to carry white German crews.

Mr. KELLY.—The honorable member is mistaken.

Mr. HUTCHISON.—It would be a good thing if that were the law of the Commonwealth and of the British Empire. At the present time we find that our vessels are manned by seamen from all parts of the world, not because the shipowners are anxious to employ the sailors of other nations in preference to our own, but simply because they can command their services at a cheaper rate. There is not much patriotism in that. When we find that year after year the number of British seamen engaged in our mercantile marine is seriously diminishing, and when we reflect that trouble may arise in Europe upon almost any day, surely it is about time that we looked round to ascertain if we are in a position to man our own ships. A good deal has been said concerning the question of old-age pensions. If it be the intention of the Government to indefinitely postpone dealing with this matter, it seems to me that they have adopted the very best method for securing that end. If we are to make it a condition that old-age pensions shall be granted only upon condition that the States allow the Federal Government to take over their indebtedness, the position so far as South Australia is concerned, resembles that of holding up a red rag to an infuriated bull. The South Australian Treasurer, I regret to say, is the bull. He is continually belittling the Commonwealth Parliament, and constantly misrepresenting it by endeavouring to induce the people to believe not only that the Federal Government is extravagant, but that Federation is costing a much larger sum than it really is at the present time. If we are to make it a condition that the States shall have power to say whether or not we shall have a

national system of old-age pensions, undoubtedly the South Australian Government and Parliament will oppose it. I should have thought that an important question of this character would have been placed in the very forefront of the Government programme, and that they would have been prepared to provide the money necessary to successfully carry out any such scheme. How should the money be found? I do not think that this question is surrounded with the difficulty which so many people anticipate. I find that out of the 3,750,000 people who in round numbers comprise the population of the Commonwealth, 2,500,000, representing those who have already reached the age at which they are entitled to receive old-age pensions, have been provided for; so that in reality we have to provide for only 1,250,000. That should be quite a small matter. If the Ministry are in earnest all that they have to do is to bring in a Federal absentee land tax. I am satisfied that there is no greater curse to any country than is the absentee land-owner. He contributes nothing through the Customs to the revenue. In South Australia we have recognised that absentee individuals and companies are very undesirable, and have imposed upon them a tax of 20 per cent. over and above the land taxation levied there. If the Government were to impose a similar tax—and, in passing, I might say that I would favour an increased one—upon the absentee land-holders of Australia they would be able not only to provide old-age pensions, but to do something of far more concern to the Commonwealth. In that way they would prevent the aggregation of large estates in the hands of persons who have no thought for the country—who have no regard for the way in which the people live, but who care only for what they can squeeze out of the people earning a livelihood on their estates. If the Government were in earnest they could thus find a way to provide for old-age pensions without imposing any further burden on the people living in the Commonwealth.

Mr. BATCHELOR.—And at the same time help immigration.

Mr. HUTCHISON.—Quite so. I quite agree with an honorable member who has already spoken, that the Government have viewed this question from the wrong end of the telescope. We have not the power at the present time to deal with the lands of the State; but I would mention that every Land Board dealing with an estate

purchased by the South Australian Government for closer settlement purposes is rushed by applicants. We are losing our population in scores, and unless something be done we are likely to continue to do so. We have our unemployed trouble in South Australia. The same trouble exists in Victoria, and I regret to learn that it is very intense in New South Wales. In these circumstances, before we talk about encouraging immigration, our first duty should be to see that proper provision is made for those who are already here. We have artisans in the Commonwealth who are willing to go on the land, but have no opportunity to do so. I am glad to notice that the Western Australian Government is now offering land for settlement upon easy terms; but, at the same time, I should regret to see any of the people of South Australia leaving for the sister State, because we have already too small a population there. I should heartily welcome the arrival of deserving persons of good character, whether they had a shilling in their pockets or not, as long as I was assured that employment could be found for them when they reached our shores. Until we are able to secure that assurance from the Governments of the States, I trust that nothing whatever will be done in regard to immigration. I commend the Government for their protest against the introduction of Chinese labour into South Africa for the purpose of working the mines of that country. I do so for the reason that scores of our countrymen are walking about the streets of the different South African cities, not only out of employment, but, according to statements of recent arrivals—and I have it from the mouths of some of my own friends—in a state of semi-starvation. In view of what we have done for the British Empire, it would have been a disgrace had not the Federal Government entered a protest at this juncture against the importation of Chinese labour into South Africa. In referring to the situation in South Africa, the leader of the Labour Party has had something to say upon the question of borrowing. South Africa has no Labour Party, and is devoid of socialistic legislation worthy of mention, but we find that it has just as much trouble in borrowing money as have the Australian States. This shows, therefore, that there is nothing in the boggy which has been raised that the tightness of the money market, so far as Australian borrowing is concerned, is due to socialistic legislation in this country. I

desire now to refer to a very great question, involving a large expenditure of money, and one which has not yet been very fully dealt with during this debate. Paragraph 17 in the Governor-General's speech states that—

The Defence Act has been proclaimed, and regulations under it approved.

I hope that honorable members will take the trouble to go through the regulations framed under the Defence Act.

Mr. BATCHELOR.—Life is too short.

Mr. HUTCHISON.—It was regarded as the natural corollary of Federation that the military forces of the States would be dealt with under a system which would render them cohesive and effective in time of war. It was necessary to do this, or chaos would have been the only result. It is against our instincts as a free people—against the instincts of the children of generations of free men, who have not only defended their own country, but have liberally assisted the people of other countries to gain liberties to which they were strangers—to consider ourselves in a happy position of safety, and to believe that we shall never have our liberties attacked in this country. We know that the day may come when our liberties and the land that we have inherited from our forefathers may be attacked, and it has been the policy, not only of the States individually, but of Australia as a whole, to see that our stalwart men are trained and ready to defend these privileges. But when I glance at the regulations under the Defence Act I am amazed at the extraordinary task which has been undertaken by the Commonwealth. I feel assured that if this House had only considered what its action in sanctioning the appointment of an Imperial officer to organize our forces would mean, it would have hesitated to bring that officer here. The House is perfectly familiar with the record of the General Officer Commanding, and knowing that record, I feel satisfied that it would have refused to sanction his appointment had it known that the regulations now before the country would be the result. It is very difficult to deal with this important question without throwing a considerable degree of blame on certain persons. But it is the duty of a critic to apportion the blame, and I shall endeavour to do so. On whom does the blame for the present position rest? On the General Officer Commanding? I might answer—"Partially 'no' and partially 'yes,'" because as this Parliament was responsible for the appointment of

Major-General Hutton to his present position, it must certainly take part of the blame for the way in which the task he was called upon to undertake has been carried out. I find that Major-General Hutton has his own personality, his own habits of thought, and his own methods of work. He is an Imperial soldier with all the prejudices and disciplinary ideas of a machine-made and mechanically-guided officer. The regulations that he has drafted may be excellent for an Imperial service—indeed, they may be absolutely necessary for such a service—but they are certainly not suited for a citizen soldiery of the Commonwealth. What the General has been trained to do he must naturally drag into the task placed in his hands. He has been trained in a certain way, and we can see the result in these regulations. Let me draw attention to one or two points in regard to them. As a unit of the British Army I wish to say that I have a very high opinion of Major-General Hutton. If he were drafting these regulations for the British Army—and they are based upon British Army regulations—they might be necessary. They might be necessary if the Commonwealth had what I hope it never will have—a permanent force.

Mr. DEAKIN.—The honorable member has noticed, of course, that the Defence Act provides for certain regulations, and that the King's regulations have also to be embodied in the regulations of the Commonwealth in order that they may be brought into force?

Mr. HUTCHISON.—Yes; I understand that the King's regulations have been embodied in them.

Mr. DEAKIN.—That makes the bulk and the character.

Mr. HUTCHISON.—I quite agree with the honorable and learned gentleman; but I propose to point out a good many regulations for which there should be no necessity in the Commonwealth.

Mr. KENNEDY.—Several honorable members desired to have a reservation inserted when the Bill was before the House.

Mr. HUTCHISON.—I desire to show that the General Officer Commanding either lives in an atmosphere removed from the forces, or is not gifted with that common-sense which should be the distinguishing characteristic of a gentleman holding that position. Possessed of that common-sense, he must have known before his recent visit to Tasmania that there were good patriotic men in the forces in that State

who had given much of their time to the service of their country, and men possessing judgment as good as his own; he must have known, too, that there was something radically wrong, and that these men would not be prepared to dance to any tune that he might call. They wanted justice and fair treatment, but that they have not received. The forces, not only in Tasmania, but in South Australia and the other States, have been kept together by a patriotism which is becoming strained to the breaking point.

Mr. CROUCH.—Is the honorable member aware of the grievance of the forces in Tasmania—that, at the request of their own State Government, they were not paid?

Mr. HUTCHISON.—To my own knowledge they have many more grievances, just as have the forces in South Australia. I served for over ten years as a volunteer in Scotland. I served also in the old South Australian Volunteer Force of eighteen years ago, and as a member of a volunteer company in that State. It will thus be understood that I have always taken an enthusiastic interest in military affairs. It is for that reason that I am anxious to see the military service placed on a fair footing and contented, because we cannot have a discontented and a patriotic force at the same time. The question is, is there room for discontent? The honorable and learned member for Corio says that one of the reasons for discontent in Tasmania relates to the question of pay. That is a cause of discontent throughout all the States, and is a matter which will have to be re-opened in the near future. If I were able to march the forces of South Australia into this chamber at the present moment I should be able to show the House men wearing uniforms are a disgrace to a decent soldiery; I should be able to show men who went through their recruit drill six months ago but are not yet supplied with uniforms; and I could show others who, notwithstanding all the vaunted advantages of the staff of drill instructors, are not nearly as well drilled to-day as they were when the non-commissioned officers of the various companies had to perform that duty. I believe that the sister States could tell the same tale. What do the regulations mean? They mean the Head-Quarters Staff—a staff that is mopping up a very large share of the military vote that ought to be spent on the men. It is a staff that could very well be wiped out altogether, and if we were to wipe it out we could immediately

reduce the whole of the district staffs by at least two-thirds. Let me tell honorable members that at the present time we have at work in South Australia a staff of fifteen officers and clerks—I believe I am understanding the number—and the work is very indifferently done. We can get nothing quickly done there. I remember a time, some eighteen months ago, when we had a force of 3,000 men, as against a force of a little under 2,000 at the present time, and though we had a staff of only two officers and a boy, we never had any trouble whatever. Speaking figuratively, I may say that if you go to the present staff for a pencil you are told that they must send over to Head-Quarters in Melbourne. They do send over, and the Head-Quarters Staff in Melbourne reply, inquiring whether it is a black or a blue pencil that is wanted. Then they would like to know whether you require that it should be sharpened. You are afterwards sent to some one else to get it, and finally you may get it. If you require 100 rounds of ammunition, you go to one official and he sends you to another, then you are sent away down near the gaol—I may say that that is where the magazine is situated—and ultimately you get the 100 rounds of ammunition. There was no difficulty of this kind in the old days when we had a staff of two, and there was very little complaint. I maintain that the old condition of things could be secured if we had the forces on a different footing. I have no desire to say one word against the personnel of the South Australian staff. It is composed of valuable officers, who are, I believe, overworked. I am sure they are working late at night very often. Only the other day I heard that one officer was kept until 1 o'clock in the morning getting instructions, and it cost him half a guinea for a cab to take him home. There should be no necessity for overworking these men. There is no doubt that they have plenty of work to do, but a very poor result is shown. If the work were reduced I am sure the result would be very much better. The clerical work demanded at the present time is simply enormous. I maintain that not 10 per cent. of the officers of the Commonwealth can possibly find time to carry out the instructions set out in these regulations. They could not possibly fill in the books. The Head-Quarters Staff have produced regulations which really require every officer commanding a company to be provided with a clerk, and I am sure the

clerk would find his time fully occupied. He has not only to fill in an enormous number of books, but is expected to be able to drill his own men and to know his own duties, and the duties of every officer above him. He is expected to do the work of an ordinary drill instructor, and at the same time to know the work of a Brigadier-General. I should be very loth to advise the abandonment of a scheme so lately devised, but I think it could be worked very much better than it is being worked at the present time. It is bristling with imperfections, many of which might be easily remedied. If we are to maintain a military force—and we must do so—and if we do not have a citizen soldiery we must adopt a system of militarism. I have always been a citizen soldier because I hate militarism, and because I recognise that the only way to check it is for every man in the State to be ready to take his share in the defence of the country when the need for it arises.

Mr. KELLY.—How would the honorable member man the guns at the forts?

Mr. HUTCHISON.—We have men in South Australia thoroughly capable of manning the guns at the forts. They were sent to South Africa, and earned the eulogy that they were the smartest artillery officers amongst the whole of the artillery engaged in South Africa, including the regulars. I understand that the honorable member wishes to know how we are going to provide a continual look-out and be ready at any moment to man the guns.

Mr. KELLY.—Hear, hear.

Mr. HUTCHISON.—I have no objection whatever to our having a small permanent force to man the guns and be on the look-out, but that is all that is necessary. These are so ridiculously few that they will be easily manned. In regard to the Headquarters Staff, I maintain that all we require is that the six District Commandants appointed by the Minister for Defence should be an advisory council, that a uniform plan should be drawn up, that each State should have its own administration, and that the administration, equipment, and pay should be uniform.

Mr. DEAKIN.—And the drill.

Mr. HUTCHISON.—And that the drill, of course, should be up to the proper standard. I believe that there would be no difficulty in that. I may say that the imperfections to which I am referring are, perhaps, imperfections only from the point of view of the citizen soldier. For a perma-

nent force, I believe that the bulk of the regulations would be found to be necessary and workable. I believe that they do work well at the present time in the British Army, but in the case of those who have to earn a livelihood, and who do soldiering only in their spare time, it is impossible for either officers or men to become acquainted with the duties there laid down, let alone carry them out. The number of books to be entered up is appalling. And yet all that is required is a simple statement of the duties expected of each District Staff, and that the duties should be uniform. There would then be no difficulty whatever in carrying them out. I do not know that it would not be wise, as I see has been suggested, to have an Inspector-General of Forces, but the senior of the six District Commandants could occupy that position, as well as attend to his ordinary duties. I am not here to lay down a complete scheme. I admit the difficulty of doing so, but I am giving an outline which I believe practical men could work out, and which would be more effective and far less expensive than the scheme we have at work at the present time.

Sir JOHN FORREST.—It is just the same.

Mr. HUTCHISON.—I wish to tell honorable members what has been done in South Australia, and if I speak of my own State it is because I desire to speak of that of which I have had experience. We had there an active force, the members of which were paid £5 a year for their services. We had also a reserve force, to which the company I belong to is attached, the members of which received £2 10s. a year for their services. I may say that I belong to a Highland Company. Every man who joined it had to pay £2 entrance money to go towards paying for his Highland uniform. He drew no pay from the company, because the pay to which he was entitled went towards the cost of his uniform, and also to pay the cost of an orderly-room, a secretary, printing, and general expenses. When Major-General Hutton came to Adelaide twelve months ago he gave permission to raise a second company, and led us to believe that we should be placed upon a better footing than we ever had been before—on the same footing as the active force. This would have given great satisfaction, but what do we find? After raising half the new company—I am speaking of, admittedly, one of the best bodies of men we ever had in South Australia, and the only company that kept

up its full strength all the time—how were we treated? After getting a number of recruits, and taking £2 each from them to provide for an expensive uniform, which cost the country nothing, we were suddenly told that we were to be volunteers for the future and should receive no pay at all.

Sir JOHN FORREST.—There is the capitulation allowance.

Mr. HUTCHISON.—There is really no capitation allowance now. We receive only 30s. a year for clothing—and we must pay for our khaki uniform out of that—and £1 per man to cover incidental expenses; every penny of which is required for an orderly-room, secretary, and printing.

Sir JOHN FORREST.—That is what I said: a capitation allowance of £2 10s. is given.

Mr. HUTCHISON.—No, we previously received £2 10s., besides having a uniform free.

Sir JOHN FORREST.—I know that £2 10s. per man is paid towards expenses.

Mr. HUTCHISON.—But the right honorable gentleman must see that we now get £2 10s. per man less than we got before, because previously we got uniform provided free and £2 10s. per man in addition.

Sir JOHN FORREST.—You are treated in the same way as every other volunteer throughout Australia.

Mr. HUTCHISON.—That may be so, and I believe that every other volunteer throughout Australia is dissatisfied. At any rate, the volunteers in Adelaide are dissatisfied. I can tell the Minister for Home Affairs that one of the finest companies, admittedly, in South Australia, was so contented that it has been disbanded. I refer to the company at Port Pirie.

Sir JOHN FORREST.—Because they did not wish to be volunteers. They desired to be paid.

Mr. HUTCHISON.—I am satisfied that Major-General Hutton wished to destroy the reserve force of South Australia. In giving effect to his Imperial instincts, and that is what I am talking against, he desired to destroy the reserve force, and then when we had not a citizen soldiery we must have a permanent force, and that would suit him better. I can show the Minister for Home Affairs how he could get the cheapest force possible, and yet have a most effective force.

Sir JOHN FORREST.—We must make the honorable member Commander-in-Chief.

Mr. HUTCHISON.—I propose to tell the right honorable gentleman what he did not make me. I can inform him that we have had a company at a strength of over 100, though the required strength of a company is only sixty. We have had as many as 120, and have been up to our full strength during the whole of the four and a half years we have been in existence as a company. We have received no new uniforms during that time, although the South Australian Defence Act of 1895 says that we must be provided with new uniforms every three years, and we have made no complaint. Further than that, whilst an officer of the active force got £10 for his uniform, an officer of the reserve force only received £5. What has happened now? Let me tell the right honorable gentleman that the Government has now actually compelled an officer of the reserve force to accept 30s., the same as a private, though he has to provide an expensive uniform.

Mr. WATSON.—They want to confine the commissions to rich men.

Mr. BATCHELOR.—No rankers are wanted.

Mr. HUTCHISON.—In referring to the interjection made by the leader of the Labour Party, I was delighted to see that the Federal Parliament had decided that in promotion preference should be given to men from the ranks, provided that the applicants for commissions proved that they were capable. But what has been done? If honorable members will look up the regulations, they will find that it will cost a man £50 or £60 to provide himself with what is demanded, and Major-General Hutton tells officers that they must get what is demanded, though they protest that they are not able to do so. Amongst the smartest officers in the service are civil servants, earning from £3 10s. to £4 per week, and how can they possibly do this?

Mr. MAUGER.—They are not wanted.

Mr. HUTCHISON.—They have done worse than that. They have created us volunteers, and though some of the cleverest officers in the Commonwealth belong to the reserve forces, they have been made junior to some of those who have only lately received commissions, and who are not nearly so capable. Simply because they have to be volunteers, some old officers who have worked hard in the service of the States must now work as the juniors of these men.

Mr. CROUCH.—Not under the regulations. The regulations provide for seniority according to the date of the commission.

Mr. HUTCHISON.—The honorable and learned member does not see that while that is exactly the position with regard to the active force, officers of the volunteer force must rank junior to officers of the active force.

Mr. JOSEPH COOK.—Is the present Minister for Defence permitting all this?

Mr. HUTCHISON.—I do not see how the honorable gentleman can possibly deny it, when it is in black and white before him in the regulations.

Mr. CROUCH.—The reserve is different from the volunteer force.

Mr. HUTCHISON.—I desire to tell the honorable and learned member that there is no difference whatever. There is no difference in the drill. The volunteers were expected to attend fewer drills, but as a matter of fact they put in more drills than the active force, while in the matter of rank some of the oldest and best officers are junior to those who only lately joined the service. The Minister for Home Affairs talked of making me Commander-in-Chief if I could only show the Government a simple scheme. Let me tell the right honorable gentleman that although we had a company that was always up to the full strength we had only one officer, a thorough enthusiast, and one of the most capable men in the Defence Force of South Australia at the present time. He has not had a single subaltern to work with him. About two years ago an application was sent in on behalf of another enthusiastic member of our company, a man occupying the highest position as a non-commissioned officer—a colour sergeant—and a man of good social standing, as he was a solicitor. As in four months' time nothing whatever was heard about his appointment, he left the force disgusted. My own name, at the desire of the officer commanding the company and the unanimous desire of the company, was sent in for a commission along with that of another member of the company, and though that was eleven months ago I heard nothing of it until the other day.

Mr. WATSON.—After the honorable member was elected? They found him out then.

Mr. HUTCHISON.—Yes, after I was elected, and after I had sent in a letter withdrawing my application because of the keen disappointment I felt that I should have been so treated after doing my utmost for the company, and after having been partially responsible for its formation.

Mr. MAUGER.—The whole system is rotten.

Mr. HUTCHISON.—The other applicant for a commission has dropped out, nothing having been heard of his application. Here we have one of the best officers in the service working without a subaltern for twelve months, and though during that time I acted as subaltern I was refused official sanction. Is there not something wrong in the forces when I can point out these undeniable facts? That is not the only cause of discontent. Some men say, further, that they cannot afford to pay for the whole of the uniforms, and that they were induced to join under false pretences, because they were led to believe that they were to be treated exactly as are the active forces. I do not think that it is possible efficiently to work a volunteer force alongside a partially-paid force which is doing precisely the same work, and to have the men contented. It would be better to do away with the volunteer forces altogether, and make the rifle clubs into volunteer forces, giving them a trifle more encouragement. They were promised a good deal of encouragement by the late Commandant in South Australia, Colonel Lyster, but very little has been done. The most outrageous bungling and wasteful expenditure I have ever witnessed have been exhibited in South Australia in connexion with the rifle ranges. Some time ago the Department erected about thirty disappearing targets. They had to dig shelter pits, and make ranges involving the expenditure of a large sum of money. I asked one of the officers—because, of course, being only a non-commissioned officer, I never interfered where I had no business to do so—if he would try to induce the Commandant to inspect a target of the description of those erected on the rifle range. He did so, rightly deciding to have no other kind of target. A boy can work that target. The man who erected the target is one of the champion shots of the Commonwealth. I refer to Mr. Lake. He took a great deal of trouble in showing his specifications indicating how the targets ought to work. Then he sent in a tender which was only a trifle higher in amount than the lowest tender sent in. But they discovered that Mr. Lake had no patent for his target, and accordingly they took the matter out of his hands, and erected the targets themselves. What has the result been? Instead of being targets which a boy could work, two men had a difficulty in

working them at any time. They could have been erected just like the specimen target that was inspected. Mr. Lake has erected one since at Glenelg, and a boy can work it. But two strong men can hardly work at times some of the targets which were erected in the manner I have described. Sometimes they go out of action altogether, and the shelter pits are so badly constructed that they are very dangerous to occupy. Two men have already been wounded to my knowledge, and it is a common thing to find bullets dropping into the pits beside the markers when there is firing at over 700 yards. I believe it is proposed to spend a further sum of money to put this bungling right. I am sure that if we had not had a staff of the description that we have had—if we had had less militarism and more common-sense ideas in our Head-Quarters Staff—these bumbles would not have been possible. I have felt it to be my duty to put these matters before the House, so that honorable members may know exactly what is going on at the present time. I think it possible that the Minister for Defence may be able to save further useless expenditure. It is just a question whether the targets to which I have referred will ever be able to work. I have seen them weighted with bags, and even tins of sand, because the men could not pull them down. I have gone down with a team of men to shoot, and we have had to wait five minutes between the different shots before we got them signalled, because the men at work could not pull down the targets. I do not wish to touch upon other debatable subjects which are dealt with in the Governor-General's Speech, because I shall have further opportunities of dealing with them in the subsequent debates. But I do wish to support the claim of the honorable member for Grey in regard to the treatment of some of our Commonwealth public servants, especially in South Australia. I find that some officers entitled to increases have not received them. That they are entitled to them is admitted from the fact that the money necessary for their payment has been placed upon the Estimates this year. I believe that one of the reasons given for their non-payment is in connexion with the re-classification of the service. But I want to point out that any lowering of status would be a breach of faith. It is clearly admitted in the Commonwealth Constitution, in the Public Service Act, and in the Act passed in 1901, that these civil servants have all their accrued rights preserved to them. It would

not be right to re-classify these men when they have a maximum or minimum wage fixed by Act of Parliament—an Act that has to be adhered to according to the Commonwealth Constitution. Surely, in all fairness, they should receive their increases. No Government should attempt to get out of its contracts with its servants. Whether the work which the men are doing is paid for at too high or too low a rate has nothing to do with the matter. That is a question that can only be dealt with when those who have accrued rights leave the service and others take their places. With regard to the travelling allowances paid to railway sorters, I must say that those officers appear to me to be badly dealt with. I wonder whether, if the members of the Government were absent from their homes for thirty-two hours at a stretch, they would consider that they were well paid for their keep and accommodation at 2s. 8d. per day. If the men are away on Sundays—and that means fifty-six hours' work in a week—they get 4s. extra. I now find that, for the ordinary trips, in travelling allowances they received 6s. 5d. a week, and including Sundays 10s. 8d. Under the State regime they used to receive for ordinary trips 14s., and, including Sundays, 22s. I am not saying whether the State scale of payment was too high or too low; I think that the men ought to demonstrate to the Government whether it was a necessity that they should spend the higher amount. But, at any rate, I maintain that 2s. 8d. per day is altogether too small a sum for travelling allowance.

Mr. DEAKIN.—It is the honorable member's State that is always complaining of the expenditure upon the Public Service.

Mr. HUTCHISON.—And always unreasonably complaining.

Mr. BATCHELOR.—The complaints are not made in this House. The Government take more notice of the State Government than of the representatives of the State in this House.

Mr. HUTCHISON.—Let me tell the Prime Minister that the civil servants in South Australia are in a different position from those of any other State. We have had a "pro. and tem." list, and a fixed list; and some of the "pro and tem." officers have been on that list for as long as twenty years. They have been much longer in the service than some of the officers on the fixed list. I was a member of the Royal Commission

that inquired into the state of the civil service, and we found that no department was more bristling with anomalies than the Post and Telegraph Department. Of course we cannot blame the Commonwealth Government for the anomalies which they found in the service, and there is every reason to reclassify the officers; but, at the same time, we have to deal fairly with the officers whose rights are safeguarded by the Constitution. More we do not ask. We ought not to expect men to be out of pocket for doing work for the Commonwealth, and I am quite sure that if honorable members had to do the work which some of these sorters do they would not be very well pleased if they received only 2s. 8d. per day for meals and all expenses. I ask honorable members to look into this matter, and to see that justice is done. As regards the position of parties in this House, however much the ranks of the free-trade party may have been split up, and however much the ranks of the Ministerialists may have been decimated, I feel sure that as far as the members of the Labour Party are concerned, nothing will be done but what is for the best interests of the whole Commonwealth.

Mr. WEBSTER.—I would ask the Prime Minister to consent to an adjournment of the debate at this stage.

Mr. DEAKIN.—It is very early, but I do not like to refuse the request of a new member, particularly on a Tuesday evening, when we know that honorable members from other States are somewhat exhausted by travelling. If we adjourn the debate now I trust it will be understood that we do so only out of consideration for their position, and that such a request will not be entertained on any future occasion during the session.

Debate (on motion by Mr. WEBSTER) adjourned.

RETURN TO WRIT.

Mr. SPEAKER.—I have received a return to the writ issued by His Excellency the Governor-General for the election of a member to serve in the House of Representatives for the electoral district of Wilmot in the State of Tasmania, in the place of the Right Honorable Sir Edward Nicholas Coventry Braddon, deceased, and from the indorsement upon the writ, it appears that Donald Norman Cameron, Esquire, has been duly elected in pursuance thereof.

House adjourned at 10.12 p.m.

Senate.

Wednesday, 9 March, 1904.

The PRESIDENT took the chair at 2.30 p.m., and read prayers.

PETITION.

Senator TRENWITH presented a petition from 200 citizens of New South Wales and Victoria praying the Senate to pass a Bill to provide a bonus or protection to induce the establishment by private enterprise of the manufacture of wire netting.

NEW SENATOR.

Senator STEWART made and subscribed the oath of allegiance as senator for the State of Queensland.

QUESTIONS WITHOUT NOTICE.

Senator MACFARLANE.—I wish to give notice that to-morrow I will ask the Vice-President of the Executive Council—

The PRESIDENT.—The standing order provides that an honorable senator desiring to give notice of a question shall hand it in in writing. He is not to read it.

Senator PEARCE.—May I rise to a point of order with regard to that ruling? It was formerly the custom for honorable senators to read the questions of which they wished to give notice. The new standing order does not expressly lay it down that questions shall not be read, and at the same time it is a matter of convenience to other senators that they should be read. A senator may wish to ask another question arising out of a question of which notice is given. Notice may be given of a question which has the effect of colouring some debate, and some other senator may desire to ask another question arising out of it.

Senator PLAYFORD.—I may point out that if honorable senators wish to have their questions read to the Senate they can achieve their purpose by asking them without notice. Then the Minister will quietly ask them to be good enough to give notice.

The PRESIDENT.—I would point out that when notice of a question is given, no senator can take any action with reference to it unless by giving another notice. It is not possible to ask a question arising out of a notice of another question until the first question is asked. Therefore, it seems to me that the ground put forward by Senator Pearce is not valid. The standing order, which I have to administer strictly,

in accordance with the wording as I understand it, provides that in order to prevent the time of the Senate being taken up by reading very long questions, they are simply to be handed in. That standing order was deliberately adopted by the Senate, and I feel bound to adhere to the practice we have adopted until I am otherwise instructed.

Senator MACFARLANE.—I desire to ask the Vice-President of the Executive Council without notice, what steps have been taken by the Government to facilitate the settlement of moneys due to Tasmania on account of Customs duties collected in that State during 1901, upon goods consumed in Victoria?

Senator PLAYFORD.—I ask the honorable senator to be good enough to give notice of the question, as I am not now in a position to answer it.

STANDING ORDERS.

The PRESIDENT.—Before the business of the day is called on I wish to read a paper to the Senate in reference to the Standing Orders generally. I will lay the paper on the table of the Senate afterwards. It is as follows:—

I have the honour to bring under the notice of the Senate the Standing Orders adopted near the end of last session, and to ask for guidance in their administration. Under the Standing Orders provisionally adopted there was, and under the Standing Orders of all the States Legislatures there is, a standing order in these words, or to this effect:—

“In all cases not provided for hereafter, or by sessional or other orders, resort shall be had to the ‘rules, forms and practice’ of the Commons House of the Imperial Parliament of Great Britain and Ireland, which shall be followed so far as they can be applied to the proceedings.”

In our present Standing Orders this order has been omitted. Following and consequent on this omitted standing order many “rules, forms and practices” have been followed in the Senate during the last two sessions, which in some cases were not provided for at all by the temporary Standing Orders, and which in other cases were not warranted by the strict letter of such Standing Orders.

The avowed intention of the Senate in omitting the standing order referred to was that, in cases not positively and specifically provided for, we should gradually build up “rules, forms and practices” of our own, suited to our own conditions.

There can be no doubt that cases will continually arise in which it will be necessary to do this. Let me give an illustration—

By standing order No. 157 of the House of Commons, when two or more members rise to speak, the Speaker calls upon “that member whom he first observes.” This practically gives

the Speaker the power of calling upon such of the members rising to speak as he thinks best. By looking in the direction of the leader of the House or of the Opposition, or of any prominent member, he can first observe him. But as ancillary to this rule, in order to preserve to the House itself the ultimate power of deciding who should be heard, a motion may be made that Mr. So and So be now heard, which, if carried, over-rides the decision of the Speaker.

A practice has also arisen, and been carried into effect in the Senate and in the State Legislatures, of calling upon some member by agreement. Some member who wishes to speak asks the President or Speaker to call upon him, and he is accordingly “first observed.”

Under the Standing Orders which were temporarily in force, the practice has been similar to the practice in the House of Commons. But we have now adopted new Standing Orders, by which all reference to the practice of the House of Commons has been abolished. By these new rules the President is given no discretion. The rule No. 391 provides that—

“The President shall call upon the senator who, in his opinion, first rose in his place.”

I presume this means, in the *bona fide* opinion of the President—that he is not to pretend to believe that which he knows to be untrue, and consequently that if two or more members rise the President is bound to call upon the member who, in his *bona fide* opinion, first rose. Neither can the President make any arrangement to call upon any member, although there may be strong reasons why this should be done. Moreover, there is nothing in the Standing Orders warranting a motion that the member whom the Senate desired to hear should be heard.

It is true that in the House of Commons such motions (owing to the number of members rising at once) have not been put for some years, but they have frequently been put in many of the State Legislatures.

I admit that the wording of standing order 391 is the same as the previous standing order on the subject, but it was formerly qualified as before mentioned, and the practices, or, at all events, some of them, have been established and sanctioned by the incorporation into our rules of the House of Commons practice.

I give this one case as an illustration only.

The alteration in our Standing Orders caused by the omission of what was previously standing order No. 1 appears to me to render it obligatory on the President to strictly conform to our written rules, and will abolish many practices founded on the House of Commons rule.

I submit, for the consideration of the Senate, the following suggestions:—

1. That in any case which may arise which has not been provided for by the rules, or in which the rules appear insufficient or manifestly inconvenient, the President should state to the Senate (after mature consideration, if possible) what, in his opinion, is the best procedure to adopt, and that the Senate should decide.

2. That at the commencement of each session the President should lay a paper on the table formulating and tabulating all the decisions arrived at during the last session, giving reasons (if it should be necessary to do so) why, in his opinion, any of his own decisions were incorrect, or any of the decisions of the Senate

would lead to inconvenient results. The Senate could then take the decisions objected to into consideration, and decide the matter.

By this means a set of "rules, forms, and practice," supplementary to and explanatory of the Standing Orders, would be gradually compiled. The questions raised are, I submit, such as should be settled by the Senate, and I respectfully ask for instruction and guidance.

R. C. BAKER, President.

March 9, 1904.

Senator PLAYFORD (South Australia—Vice-President of the Executive Council).—The very important paper which you, sir, have read to the Senate ought in the first place to be printed, and in the second place it ought, I think, to be referred to the Standing Orders Committee for consideration and report. I therefore move—

That the paper read by the President to the Senate be printed, and that it be referred to the Standing Orders Committee for consideration and report.

Question resolved in the affirmative.

GOVERNOR-GENERAL'S SPEECH: ADDRESS IN REPLY.

Debate resumed from 4th March (*vide* page 79) on motion by Senator TRENWITH—

That the following address be presented to His Excellency the Governor-General:—

TO HIS EXCELLENCY THE GOVERNOR-GENERAL—

We, the Senate of the Commonwealth of Australia in Parliament assembled, beg to express our loyalty to our Most Gracious Sovereign, and to thank Your Excellency for the speech which you have been pleased to address to Parliament.

Senator DRAKE (Queensland—Attorney-General).—I moved the adjournment of the debate on Friday because I desired, after having the opportunity of ascertaining some details, to reply to one or two criticisms which were offered in the Senate last week. I wish first, however, to take the opportunity of thanking the honorable senators who moved and seconded the Address in Reply for the admirable way in which they performed their duties. I should like also to welcome to the Chamber and to congratulate those new senators who have made valuable contributions to the discussion. At the same time, I think it is not unfitting that I should express my feeling of regret at the loss of some good men who were with us throughout the first Parliament, but who are now no longer members of the Senate. The matters to which I wish particularly to refer were almost without exception brought up by Senator Neild. The first is what has been known

as the *Petriana* incident. The honorable senator impelled me to an interjection when he said that he was astounded—and I thank him for saying that he was astounded—that I should have stood on platform after platform, during the elections, and upheld the refusal to allow shipwrecked men to come on land. I can give the Senate, very shortly, the whole basis for that statement.

Senator DAWSON.—We do not want it.

Senator DRAKE.—The honorable senator may not want it, but these stories, invented during the elections, about the *Petriana* incident, are still in circulation in the old world, and are doing a great deal of mischief to Australia.

Senator GIVENS.—The lot of them were pure scandals.

Senator Lt.-Col. GOULD.—There was too much truth in them for some people.

Senator GIVENS.—They were pure scandal, and lying scandal at that.

The PRESIDENT.—Order!

Senator DRAKE.—The first evening I was in Sydney I addressed a public meeting on the subject, and, referring to the talk that was going on, I used this expression—

Undesirables will not be allowed in defiance of our laws to mingle with our population.

Next morning the *Sydney Morning Herald* printed that sentence with a variation. It omitted the words "mingle with our population," and put in place of them the words, "land in Australia."

Senator O'KEEFE.—Rather an important alteration.

Senator DRAKE.—In the same issue of the paper there were several paragraphs based solely upon its own misstatement, and attacking me personally in connexion with the matter. I took the earliest opportunity on the following evening of addressing three public meetings in Sydney, at which I repeated what I had said on the previous evening, pointing out the error in the newspaper report, and the correction appeared next morning in the *Sydney Morning Herald* and the *Sydney Daily Telegraph*.

Senator PEARCE.—The honorable and learned senator was very fortunate in getting it in.

Senator DRAKE.—In spite of that, the original statement made by the *Sydney Morning Herald* was copied from newspaper to newspaper. It had, without my contradiction, or correction, been wired to all

parts of the State where I could not possibly make my voice heard. The consequence was that statements, based upon the misreport, became a portion of the stock-in-trade of candidates, not only in New South Wales, but in other States to which it had been telegraphed. I, of course, accept the assurance of Senator Neild that at the time he spoke last week, he had not heard of the correction.

Senator MILLEN.—We heard two or three versions, that was our trouble.

Senator Lt.-Col. GOULD.—We got mixed up amongst them.

Senator DRAKE.—There was no other statement made upon which the slanders against myself personally were based, except that one misreport in the *Sydney Morning Herald*.

Senator MILLEN.—I am speaking of the Prime Minister's statement.

Senator DRAKE.—I am speaking of the statement made by Senator Neild in which my name was coupled with the *Petriana* incident. I say emphatically that all the stories circulated in regard to the statement I was said to have made with regard to that incident were based upon the misreport which appeared in the *Sydney Morning Herald*. It was wired everywhere, and my correction, so far as I can gather, was not sent anywhere. Senator Neild talked about the execration of the people of Australia; but in connexion with that incident there was only one thing that was absolutely discreditable, and that was the way in which the facts connected with the case were distorted purely for electioneering purposes, and sent careering round the world with absolute carelessness as to the evil effect they must have upon Australia.

Senator GIVENS.—The other side have no case without misrepresentation.

Senator DRAKE.—Senator Neild referred to another matter in which I was to a certain extent implicated, and that was the case of *Hannah v. Dalgarno*. I must again complain of the way in which the honorable senator put that case to the Senate. He put an absolutely one-sided statement before honorable senators by omitting all the particulars which would go to show that the action of the Government had been fair and reasonable. I was therefore not at all surprised when the honorable senator somewhat reluctantly admitted that the paper in his hand, from which he quoted when stating the case, was an extract from the *Sydney Daily Telegraph*. The very words which the honorable senator used to introduce the case were sufficient to condemn his whole

statement. As honorable senators will, perhaps, remember, he commenced in this way—

An unfortunate cabman had his horse killed, his cab smashed, and himself injured, by an electric current supplied by the Post and Telegraph Department.

I suppose that honorable senators are aware that the electric current used by the Post and Telegraph Department is probably not sufficiently powerful to kill a flea, and they may judge from this how unfair Senator Neild was in the statement he made. The nature of the accident was this: A perfectly harmless telephone wire belonging to the Post and Telegraph Department broke and fell across an unguarded electric tramway cable belonging to the Railway Commissioners of New South Wales. The consequence was that the tremendous current carried over the electric tram cables was communicated to the broken telephone wire, and this caused the injury sustained by the cabman. But Senator Neild kept entirely out of sight the fact that the Government in this matter were fighting a most important point in the interests of the Commonwealth.

Senator Lt.-Col. GOULD.—What about the delay in paying up when the verdict went against the Government?

Senator DRAKE.—I propose to tell the whole story from the beginning, and not a portion of it. The question we were fighting was the question of the liability of the Commonwealth, or of the State Railway Commissioners, for an accident of this kind. Any one who knows the Sydney streets knows the way in which the telephone wires cross and recross these unguarded cables, carrying an enormous current of electricity, and must recognise how important it is that the question of the responsibility in connexion with this matter should be settled before some dreadful accident occurred.

Senator DAWSON.—But is not the Commonwealth responsible for everything that happens in New South Wales?

Senator Lt.-Col. GOULD.—The High Court held that the plaintiff's claim was good.

Senator DRAKE.—This accident happened, and we disclaimed, as we do now, all liability in connexion with it. We said that if the accident did happen the fault lay with the Railway Commissioners for leaving the tram cable wires unguarded. Unfortunately at that time there was no

proper Federal Court established. The Government could not have been accused of having been lax in their attempts to carry the Judiciary Bill, but they had not, up to that time, been successful, and consequently there was no court with Federal jurisdiction in New South Wales.

Senator Lt.-Col. GOULD.—That was not the point taken by the Government when the case was before the Supreme Court of New South Wales.

Senator DRAKE.—I will tell the whole story, not a portion of it. Mr. Hannah then brought his action, not against Mr. Dalgarno, but against the Postmaster-General by name, and I was the Postmaster-General at the time. His solicitors wrote to us asking if we would make certain admissions, and in order to assist the plaintiff in every way we agreed to make all the admissions, word for word, that we were asked to make. We also instructed counsel not to take any objection to the jurisdiction. When the case came on our counsel stated absolutely that they were not instructed to take objection to the jurisdiction, but at the same time the jurisdiction was mentioned, and it was hardly possible that that could have been avoided. But the plaintiff, with all the admissions we had so freely made to assist him in his action, contended that I had become personally liable. He had asked us to admit, for instance, that the wires were the property of the defendant, that the linesmen were the servants of the defendant, and then he argued that as I, as the defendant, had admitted that the wires belonged to me, the linesmen were my servants, and I had become personally liable. Mr. Justice Pring decided, however, that, by the admissions, I had not made myself personally liable, and also that the Court had not any jurisdiction in Federal matters, and that the consent of the defendant would not give it jurisdiction. The plaintiff was nonsuited, and he then moved for a new trial in the same court. We had then reached nearly the end of the session, and seeing that we could not pass the Judiciary Bill, the Government brought down and passed the Claims Against the Commonwealth Bill, for the express purpose of giving this gentleman, as well as others, an opportunity to proceed with their claims.

Senator DAWSON.—That was mentioned at the time.

Senator DRAKE.—It was mentioned at the time, and the Bill was passed for the

very purpose of providing a court to which this cabman and others could go. He first of all refused to act upon it; then he was asked to discontinue his action against myself personally, and to enter an action against the nominal defendant, Mr. Dalgarno. In order to induce him to do that, we consented to agree that the costs in the first case, in which he had been nonsuited, and the costs in the new trial should abide the event of the action, so that he would have been in just as good a position as if he had gone on with the case against myself, and had succeeded. At first he would not agree to our proposal, but after some demur he accepted it, and proceeded with his action under the Claims Against the Commonwealth Act. The case came before Mr. Justice Stephen, and a jury of four. At the trial no evidence whatever was given of negligence on the part of defendant. Our counsel asked the Judge to nonsuit the plaintiff, on the ground that no evidence had been given. Our counsel also asked the Judge to direct the jury that, as a matter of law, we were not liable. The Judge declined to do that, but said he would let the case go to the jury, with the understanding that if the jury decided against the defendant he would stay execution in order that the matter might be taken to the Full Court. We then went to the Full Court, and it held that, although there was no express evidence of negligence on the part of the defendant, still the accident had happened, and he had been the cause of it. They refused to grant a new trial, and we got special leave to appeal to the High Court. Afterwards the motion for the appeal was rescinded by the High Court, on the ground that the court was doubtful whether the verdict, having been given before the Judiciary Bill was passed, and the High Court established, an appeal could be made to that court, and also on this other ground: that the question as to liability could be argued again and settled whenever any similar case arose. Under the circumstances, we did not go any further with the matter. We could perhaps have taken it to the Privy Council, but we decided not to do so, but to abide by the verdict, and to bring the matter of our liability up again on some future occasion, with a view to getting it settled. I should like to refer now to the delay in paying the plaintiff. After we had agreed to abide by the verdict there was a little delay, because, as Senator Gould knows, it

is not always easy to find a fund from which to pay an amount recovered in this way.

Senator Lt.-Col. GOULD.—What did the verdict amount to?

Senator DRAKE.—It amounted to £200 and the costs, whatever they were. But it should also be stated that the plaintiff was under no great disadvantage because of the delay, as, in accordance with the judgment, he was given five per cent. interest on the money for the time it remained unpaid. What I desire the Senate to understand, particularly, in order to counteract the effect of the statement made by Senator Neild, is that in the first place the Government were not endeavouring to avoid payment for damage caused by the negligence of the Post and Telegraph Department. They were anxious that the question as to liability in such cases should be settled. The case was protracted, and considerable expense was incurred; but what is most to be regretted is that that particular question is still unsettled. It is a most important matter, and in the public interest it will have to be settled.

Senator Lt.-Col. GOULD.—What Senator Neild complained of was the delay in the payment of the amount awarded, and not that the Government were fighting the question of responsibility.

Senator DRAKE.—Only incidentally. I have admitted that there was some delay in the payment, but Senator Neild did not state, as he should have done, that the plaintiff was getting five per cent. interest on his money, and so did not have any very great grievance.

Senator Lt.-Col. GOULD.—Very often a man would sooner have his money than wait for it with the prospect of getting interest on it.

Senator DRAKE.—Delays of this kind will occur sometimes, as Senator Gould knows very well. There is a difficulty in finding a fund which can be made available for the payment of such claims. The only other matter which Senator Neild referred to I promised to inquire into in order to give such information as I could to the Senate. I refer to the case of a Captain Pearce, who had been employed in connexion with a record of the recent war in South Africa. In this matter also, I have to complain that Senator Neild omitted one important fact which he should have brought most prominently forward in submitting the case to the Senate. Captain Pearce, as has been

stated, was an officer in the Education Department of New South Wales. Some time before the conclusion of the war he was employed by the Commandant, at the instance of the Premier of New South Wales, to get certain information for the War Office, with a view to compiling an account of the South African war. He was engaged upon that task for some time before Federation, and was, I believe, paid for his work; and paid, I have no doubt, out of Imperial funds. He then went away to South Africa, and came back some time after Federation had been established. He was told then by the Commandant that he was to continue the work that he had left unfinished. He did so, and for about three months, I believe, he was thus occupied. Every one will admit that under the circumstances Captain Pearce is entitled to be paid. Senator Neild was no doubt perfectly right there, but the question again is whether he should be paid, as he was paid before, by the Government of New South Wales, out of Imperial funds, or by the Commonwealth. He had before, apparently, been employed by the Premier of New South Wales, at the instance of the War Office. He had done certain work for them, and had been paid for it presumably out of Imperial funds. When he came back from South Africa he was told to continue his work. The Commonwealth may be liable for his payment; I do not say it is; but at the first blush it certainly does not seem reasonable that the Commonwealth should be asked to pay this officer for the continuation of work for the earlier portion of which he was paid out of Imperial funds, and the benefit of which—if any benefit is to be derived from it—will be enjoyed by the War Office. Surely, if they required this officer to perform the first portion of the work, and were willing to pay him for it, they should also pay him for the second portion?

Senator DAWSON.—His engagement was with the New South Wales Government.

Senator DRAKE.—It was through the Commandant. In the first place the War Office authorities communicated with the Premier of New South Wales, and that gentleman asked the Commandant to detail an officer for this service. The Commandant detailed Captain Pearce, and that gentleman was paid for the work he did in the first instance, before he went to South Africa, presumably from Imperial funds. When Captain Pearce came back he was told by the Commandant, who, of course,

was then a servant of the Commonwealth Government—and there is the difference—that he might continue the work. The contention on the part of Captain Pearce is, I believe, that he should be paid by the Commonwealth Government; and the matter now stands in this way:—A communication was sent by the Commandant to the principal Under-Secretary of New South Wales, asking him to arrange for the payment of this money, but to that communication no reply has been received, and further correspondence is going on with the State Government in order to ascertain whether they propose to pay. I do not blame Senator Neild for bringing this matter forward if he thought it of sufficient importance, but he ought to have pointed out that the question at issue is not whether Captain Pearce shall or shall not be paid for the work, but whether the liability rests on the Government of the Commonwealth or on the Government of New South Wales.

Senator GUTHRIE.—In the second instance the Commonwealth ordered the work.

Senator DRAKE.—Captain Pearce was told to continue the work which had been broken by his absence in South Africa. Technically, perhaps, the Commonwealth has made itself liable, though on the merits of the case it seems to me that if the first part of the work was done, at the order of the Imperial Government, and was paid for by the Imperial Government, the latter should also pay for the remainder of the work. I do not know whether I need attempt to reply to the general charges made against the Defence Department by Senator Neild.

Senator GIVENS.—What about the millinery in the Defence Department?

Senator DRAKE.—If Senator Neild had laid before the House any particular case which he thought worthy of attention, I might have given a specific reply. I know a little of the regulations to which Senator Neild referred, and the thirty or forty pages which he mentioned are simply a reprint. I do not think that Senator Neild could say that the alterations made in the uniforms have been in the direction of increasing the amount of "embroidery" in any branch of the force. Indeed, the alterations have been exactly in the opposite direction—in the direction of reducing the cost of the uniforms. The principal reform is that an officer may now

use his ordinary working day uniform—if I may use the expression—with very little extra trimming, as full dress, so as to obviate the necessity of an expensive uniform as well as a service uniform. It was little short of misrepresentation for Senator Neild to read extracts and to give the Senate the impression that the Commandant has been introducing some entirely new embellishments for the uniform. Senator Neild continually harped on the statement which he said had been made by the Minister for Defence, that our Defence Forces are prepared for any emergency. Senator Neild, I understand, was quoting, not from a speech or statement made by my honorable colleague, but from an account of an interview with him which appeared in one of the Sydney daily papers. I have yet to learn that a politician is to be held responsible for the exact language used by a newspaper interviewer. My experience is that interviewers ask all sorts of questions, and then, in their own language, express in writing the impression made on their minds. A statement that we are ready for any possible emergency in a military or naval sense would be absolutely absurd, whether made by a Minister or anybody else. What was the object of Senator Neild in reading a list of the deficiencies in the equipment of our Defence Forces, as shown in the extracts from the report of our military expert? The Commandant has told us that there are deficiencies to make good, which he estimates would cost £480,000. Last session Parliament voted £50,000 for the military forces, and I see little use in an honorable senator telling us that that amount has not proved sufficient to meet deficiencies estimated to involve an expenditure of nearly half a million. We know that the deficiencies pointed out by the Commandant exist at the present time to nearly the same extent as when his report was submitted. It would have been considerably more to the purpose if Senator Neild had endeavoured to show that the Minister for Defence had in any way failed in his duty in carrying out the wishes of Parliament in this direction. What the Minister for Defence did say, and can probably maintain, is that the defences of Australia, as authorized by Parliament, have been maintained in the highest state of efficiency possible under the circumstances. If the Minister for Defence did make that statement no blame could be attributed to him; and I think we may assume that in this connexion no charge can be made

against him. I might refer to some of the statements made in regard to the working of the electoral law during the recent elections, but I hardly think it necessary to do so. I will sum up my opinion by saying that, seeing that the machinery was new and nearly all the officers were Federal officers, who had never had any experience of the working of an election previously, the results were much better than, under the circumstances, could have been expected.

Senator GUTHRIE.—They could not have been much worse.

Senator DRAKE.—Senator Guthrie has, perhaps, had experience of State elections conducted by experienced officers, working under Acts which possessed the advantage of having been tested.

Senator GUTHRIE.—The same State officers were employed in the Federal elections.

Senator DRAKE.—There is never an election without a great number of complaints, especially on the part of those who do not happen to be successful. Taking all the circumstances into consideration, I was agreeably surprised that the elections were carried out with so little friction and trouble. I have no doubt that, in the light of our experience, and with, perhaps, some little alterations—

Senator PEARCE.—The Minister is easily satisfied.

Senator DRAKE.—I do not know that I am easily satisfied; but it would not have been very wonderful, considering the new Act and the enormous extent of territory, together with the fact that in a great many cases the officers had had no previous acquaintance with the working of elections, if in some cases there had been a breakdown. No senator can, however, point to any case in which there was a breakdown in the machinery.

Senator PEARCE.—There was practically a breakdown.

Senator DRAKE.—Perhaps Senator Pearce will tell us where the breakdown was, because the more information we have the better position we shall be in to insure that in the future the conduct of the elections shall be as near perfection as possible.

Senator GIVENS.—The worst feature was that some of the officers were great partisans.

Senator DRAKE.—I would not commit myself to a statement of that kind. At

nearly every State election I have heard similar statements made sometimes on one side and sometimes on the other, and I think we may balance the two, and say that, on the whole, the officers performed their duties fairly well. There is nothing else, I think, to which I need refer, the Government being in the rather happy position of coming back from a general election with very little to account for or answer.

Senator DE LARGIE (Western Australia).—Before I deal with the speech of the Governor-General I should like to offer you, Sir, my congratulations on your re-election to the position of President of the Senate, a re-election which, to a greater degree, marks the honour originally bestowed upon you. When the Commonwealth Parliament met for the first time senators were more or less strangers to each other—the three gentlemen nominated for the position which you now occupy, were personally strangers to me—and, under the circumstances, it was quite possible for us to make a mistake. The fact of your re-election is, however, the best proof that no mistake was made. At the end of your first term of office we were so pleased with your services that we desired to retain them. The speech of the Governor-General has already been likened to a bill of fare. In thinking over some of the bills of fare that have come before me in certain cheap restaurants which at times I have had to patronize, I remember that they were very elaborate productions. I have no doubt that the bills of fare in some of the cheapest restaurants in Melbourne compare very favorably in appearance with the bills of fare presented at such hotels as the Grand or Menzies', indeed, it is safe to say that they are the more elaborate productions. At the cheap restaurants, however, the bills of fare are frequently a source of great disappointment. Just as you have decided on a dish, you are, in nine cases out of ten, told that it is "off." If you then decide on some other dish that also is probably "off," and so on, until you find that really the bill of fare contains only one or two items. I hope, however, that when the dishes mentioned in the bill of fare presented to us by His Excellency are called for they will be produced—that such dishes as the Federal Capital site, old-age pensions, the transcontinental railway, and others, will be very much "on." I hope it will be found that the cook has made no mistake, but that the dishes are quite ready, and that we shall be

in a fit and proper frame of mind to do justice to them.

Senator GIVENS.—They will be cooked to a turn.

Senator DE LARGIE.—I hope so, because they are important dishes which we ought to enjoy—dishes which the Parliament has been specially called on to provide. I agree with some of the remarks made about this political bill of fare, and I hope the present condition of parties will not prevent the items being brought forward. I recognise that the position is one in which the Government cannot be very sure of their ground ; but they clear the way considerably by fixing on the Arbitration and Conciliation Bill as one of the first measures to be considered. In the present political situation this measure may be looked upon as the most delicate with which we shall be called upon to deal. It is rather late in the day to argue the merits or demerits of compulsory arbitration or conciliation. We have got beyond that stage in Australia, and, therefore, in what I have to say I shall steer as far as possible from the broad principle. The one objection so far as I know that has been urged against this measure is the inclusion, or, rather, the probable inclusion, of State employés within its operation. I had something to do with the initiation of similar legislation in Western Australia, and have had considerable experience of the working of the Act there ; and I can assure honorable senators that if the Government employés had been left out, the measure in Western Australia would have been of no practical good to the workers. No workers in Western Australia were so much subject to disputes and strikes as those whom it is now proposed to exclude. I think I am safe in saying that before the Act came into operation in New South Wales there were more strikes and industrial disputes among Government employés than among the employés of private employers. The most dangerous disputes or strikes which took place there were those involving the State railway employés. And yet it is now seriously proposed that these men shall be left out of the scope of the Commonwealth Conciliation and Arbitration Bill. I hope that for the success of the measure that proposal will not be carried out. I am confident that if the measure be passed, and the State servants excluded, we shall sooner or later have to amend it. The past history of disputes in every part of Australia

shows that there are no circumstances which do not apply equally to State employés and to private employés. We have no need to go beyond Victoria in order to see the effects of a great railway strike. Will any one tell me that the settlement of the recent strike was at all satisfactory to the Government, the people, or the workmen. I am quite sure there never was a settlement which left behind it so deep a sting ; and we now have the choice of having such disputes determined by the force of coercion, or by the much more reasonable methods of an Arbitration Act such as has been in operation in New South Wales and Western Australia, and for a much longer period in New Zealand. The experience there gained ought to be a guide to us in framing the proposed measure, and I feel quite sure that unless we include State employés, who are subject to the same conditions and circumstances as are private employés—

Senator PLAYFORD.—Not quite.

Senator DE LARGIE.—I know of no conditions and circumstances in State employment which do not prevail amongst outside workers.

Senator PLAYFORD.—The State employé can apply to Parliament which is his Arbitration Court.

Senator DE LARGIE.—I do not know that these are matters which ought to come before Parliament. In my opinion, they ought to be left to an independent tribunal. It has been argued that we should not take the control of the employés of the States from the State Parliaments. We must remember, however, that that has already been done in some of the States, notably in Western Australia, where Parliament handed the control of disputes over to an independent tribunal. That is all we are asking at the present time.

Senator DOBSON. — How long has Western Australia had that tribunal ?

Senator DE LARGIE.—For three or four years. It has worked very satisfactorily. Before we had it, strikes were innumerable. In fact, the most serious strikes that we had in that State were railway strikes. It has been proposed that we should have an amendment of the electoral law. But I do not know that the time has yet come for any very serious alteration of that character. The present Act has not been sufficiently long in force. We have not had enough experience of it to justify us in making any serious alteration. As the Attorney-General has just stated, the Act was put into

operation for the first time at the last election. Consequently most of those who had the management of the elections were new to its principles. I quite agree that it was not administered as well as it might have been. I am somewhat sorry that the Minister for Home Affairs, whose duty it was to see to the administration of the Act, has taken the opportunity of finding so much fault with it and with the results of the elections. He has actually made use of his position as head of the Department to try to belittle the results of the elections. That is very ill-advised conduct on his part. If the Minister had interested himself as much before the elections in seeing that the machinery was perfect as he has interested himself since in detracting from the results, there might have been less cause to find fault. I cannot help thinking that the Minister for Home Affairs has been adopting Japanese tactics. It will be remembered that the Japanese, at Port Arthur, got in a few good shots before their opponents were ready for them, or had time to reply. The Minister has acted similarly. Before Parliament met he made some statements, that were quite unjustified, in his endeavour to decry the results, more particularly in his own State; and he cast a stigma upon those who had been returned, because, as he averred, the majority of the electors did not vote.

Senator HIGGS.—How many people were allowed to vote in Western Australia when Sir John Forrest was in power there?

Senator DE LARGIE.—It would be a very interesting comparison to set side by side the electoral power which the people exercised under Sir John Forrest's régime, and the electoral power they were able to exercise at the last election.. I should have thought that Sir John Forrest would have been the last person in Australia to mention a matter of that kind.

Senator GIVENS.—His own experience gave him a right to mention minority representation, because he is an authority on it.

Senator DE LARGIE.—In Western Australia we found that the very places where the Act worked worst were those places where labour was undoubtedly strongest. I know of complete townships where the people were disfranchised because polling booths were not provided for them. Those townships were notoriously places where the votes for labour candidates would have predominated. I drew attention to that state of things before the elections,

when there was plenty of time to provide polling places. But, notwithstanding all the overtures that were made, and although we pointed out the defects to the Department, no proper efforts were made to remedy them. That is one reason why there was such a small poll in Western Australia.

Senator MCGREGOR.—It was larger than at the previous election.

Senator DE LARGIE.—There was not a great deal of difference between the two. The strange thing is that on the previous occasion, when less than half the electors voted, there was no talk about the Labour Party being predominant. Apparently everything was satisfactory then, because out of eleven seats labour secured only four. But at the last election, out of eight seats labour secured seven; and that was represented as a very bad condition of affairs. Up till now the Labour Party has been very considerate to the Minister for Home Affairs. It allowed him to have a walk-over. I venture to say that if the Labour Party had brought forward a candidate in opposition to Sir John Forrest the present Minister for Home Affairs would have been out in the cold at the present time. We will try to remedy that defect next time. We will have a candidate for his seat in common with other seats. There will not be on our side any reason to complain of lack of interest in the elections through seats not being contested when the next opportunity comes. I notice that with the exception of a very brief reference to preferential trade, there is little or no mention in the Governor-General's Speech of the fiscal question. Whether that omission has been made out of a sort of merciful consideration for the political opponents of the Government, I am not in a position to say. The Prime Minister is said to be a man of very courteous manner, and as the Governor-General's Speech is pretty well all his work, we can put down the omission to the Prime Minister's natural courtesy, and his desire not to trample on the feelings of his political opponents—the free-traders. We were told time and again in the last Parliament, that Western Australia was a stronghold of the free-traders; but I think that the results of the elections in that State prove the reverse. The fact that every free-trader who went to the poll was defeated demonstrates that Western Australia is anything but a free-trade State.

Senator STANFORTH SMITH.—Every protectionist candidate did not get in either.

Senator DE LARGIE.—There were two protectionists who did not get in, but all the protectionists who went to the poll and who had been in Parliament formerly were returned. On the other hand, all the free-traders who went to the poll and who had been in Parliament formerly were defeated. A protectionist was at the head of the poll in Kalgoorlie, and at Fremantle a free-trade candidate was at the bottom of the poll at Perth.

Senator STANFORTH SMITH.—They never stated what their views were on the fiscal issue.

Senator KEATING.—If the free-traders had been returned the honorable senator would not have said that.

Senator DE LARGIE.—No. Perhaps it was the circulation of Senator Smith's *Free Trade Facts* to which we may attribute the defeat of the free-trade candidates! Therefore I hope that he will take a lesson in time, and make peace with the Labour Party; because the next election will come round in due course, after which I am afraid there will be even fewer free-traders in the State. When we recollect that the leader of the free-trade party suggested in the last Parliament that the fiscal question should be submitted to a referendum we can now see that, although his rebellious followers would not tolerate a referendum, he was a more astute leader than he was given credit for being; and I am quite satisfied that had those of his followers who went to the poll and were defeated agreed to the referendum it would have been far better for them. They are now wiped out politically, but they might have saved their political skins had the referendum been agreed to.

Senator Lt.-Col. GOULD.—The honorable senator also tried to get a referendum taken.

Senator DE LARGIE.—Why? Because I am a believer in the principle of the referendum. But I let the people in Western Australia know what my views were. I made it quite clear that I was standing on the protectionist ticket, as far as fiscalism was concerned, and to that I attribute the fact that I was at the head of the poll. A free-trade candidate could not hope to get in on the policy of the so-called free-trade party, which was one of extracting as much taxation—something like £9,000,000 in round figures—out of the pockets of the people, whilst giving no protection to the producers. No man can hope to make a policy

of that kind tolerable. The people of Australia are not going to accept a policy that would tax them, whilst giving them no advantage whatever. As to preferential trade, I am, generally speaking, in favour of it, but the position is such that we cannot make any definite proposals until we know what the people of the old country are going to do. It will be just as well for us to wait until such time as the preferential trade proposals come to us from the old country. They will then be, as they are not now, within the arena of practical politics. When the question comes to be settled it will be a matter of pure bargaining. I hold that it is a business proposal, and one that should be looked at purely from a business point of view. If it is to be all a matter of give without any return to us, we should be very careful before we accept any proposals of the kind. Preferential trade must be of such a nature that it will be for the benefit both of Australia and of the old country. We ought not to open our ports and to give a preference to goods from Great Britain unless Great Britain gives us a similar preference for our goods. Otherwise the bargain would be a one-sided one which we should not be justified in making. Bad undoubtedly as the fiscal policy of the Opposition is, I think that the proposals which the leader of that party made during the late election for driving the thin end of the wedge into our White Australia policy was even more unfortunate from his stand-point. When we remember the attitude that was taken up some years ago by him with regard to that policy, and that the members of his Government favoured the abolition of lascar and coolie crews on board mail steamers subsidized by Australia, it is hard to understand his change of front. At the conference held in Hobart, in 1895, Mr. Reid's Postmaster-General, Mr. Joseph Cook—a gentleman who is still sitting at his elbow in another place—supported a proposition for withdrawing the subsidies from the mail steamers that were worked by coloured crews. When we find that the same Mr. Reid repudiated the same policy at the last election, we are inclined to ask ourselves whether he was sailing under false colours in previous years.

Senator GIVENS.—His colours are—"Yes-no."

Senator DE LARGIE.—Mr. Reid's colours are both "yes" and "no," but the people of Australia will not tolerate that attitude in reference to the White Australia

policy. In Western Australia not one of the free-trade candidates was game enough to mention Mr. Reid's attitude on the White Australia policy on the platform. No reference was made to it by them until it was dragged out of them by questions. Then they were forced to repudiate what their own leader was advocating in the eastern States. The policy of the Opposition was so beautifully elastic that its supporters could advocate one policy in New South Wales, Victoria, and Queensland, and quite another policy in Western Australia.

Senator KEATING.—They had a policy for each State.

Senator DE LARGIE.—In contrast to that policy, look at the position of the Labour Party. The policy of the Labour Party was framed at a gathering at which there were representatives from all the States of the Federation. That policy, once framed, was advocated by all the labour candidates. The labour candidates in New South Wales advocated the same policy as their colleagues in Western Australia. Over the whole of the Federation we had the one policy. But, apparently, the free-traders have such an elastic platform that they can cut a slice off it in one State, and another slice off it in another, and at any time repudiate anything that their leader has been advocating.

Senator STANFORTH SMITH.—Some of the members of the Labour Party are free-traders.

Senator DE LARGIE.—I am not talking of fiscalism, but of the attempt of the free-trade party to drive the thin end of the wedge into our White Australia policy. I am pointing out what Mr. Reid advocated, and what his rebellious followers repudiated in Western Australia.

Senator STANFORTH SMITH.—The members of the Labour Party do not agree upon details any more than we do.

Senator DE LARGIE.—If the White Australia policy is a detail, I do not know what a great principle is. I have already said that preferential trade is essentially a business matter. I am quite in favour of it, and, indeed, should like to see it carried out as early as possible. In order to achieve that end, I am quite willing to give a preference to British sailors over the lascar and coolie sailors, whom we have hitherto subsidized, and to have the mail ships managed by men of our own colour.

Senator GUTHRIE.—Why not give a preference to Australians?

Senator DE LARGIE.—I take it that if we insist upon white crews being employed upon the boats we subsidize, Australians will get the preference in common with other Britishers. If those who believe in the principle of preferential trade are really in earnest in the matter, they will see their way to put that principle into practice by insisting that any mail boat subsidized in future by the Commonwealth must be manned by white labour.

Senator DOBSON.—The boats will use "blackies" under the poundage system.

Senator GIVENS.—But we shall not have to spend an extra £50,000 a year upon them.

Senator DE LARGIE.—I have no doubt that Senator Dobson will be glad if the boats still retain the services of their "blackies." We know what a noble champion of coloured labour the honorable and learned senator has been in the past. It would be a terrible strain upon his conscience if the services of those people were not retained.

Senator DOBSON.—It should be a strain upon the honourable senator's conscience also.

Senator DE LARGIE.—So far as my conscience goes, I have always been prepared to give the preference to men of my own colour and nationality, as against the Asiatics, for whose exclusion we have been legislating in the Federal Parliament. I propose now to refer to a paragraph in the Governor-General's Speech, suggesting legislation to attract immigration to Australia. I am afraid that until the Lands Departments of the States and land legislation generally is handed over to the Federal Parliament, there will be very little hope of our being able to legislate in such a way as to entice desirable immigrants to Australia. Honorable senators are aware that ever since the conclusion of the South African war, the sons of farmers in all the States of the Commonwealth have been drifting towards South Africa, and the reason undoubtedly is that there has not been a sufficient opportunity afforded them to get a living upon the land in Australia.

Senator DOBSON.—What evidence has the honorable senator of that?

Senator PEARCE.—Tasmania supplies the evidence.

Senator DE LARGIE.—A reference to the big land companies in the little island of Tasmania is about the best evidence I

could give. Such companies as the Van Dieman's Land Company, the A. A. Company in New South Wales, and the big land companies of Victoria and Western Australia afford the best proof of the necessity for an alteration in the land legislation of the States if we are to entice immigration or even to keep in Australia the people we have already here. I should like the Government who are making this proposal, and those who intend to support them in it, to point out where there is room in Australia for immigrants at the present time, and what opportunities are afforded to immigrants to get work when they come here. We know that there are unemployed workmen in every State in Australia. We know that there is not a mining district in the Commonwealth in which there are not a number of unemployed miners to be found.

Senator WALKER.—There are no unemployed at Lismore.

Senator DE LARGIE.—There will be a rush of unemployed to Lismore if that is so. In every big city and town in Australia there is an army of unemployed, and it is proposed to bring men from the old country to join this army, which is already too large. That is what this proposal means, and to bring people here when there is no opportunity afforded them to make a living is one of the most cruel propositions which could be submitted to any Parliament. It would be an injustice to the workmen already in the country, and it would also be an injustice to the immigrants who would be enticed to come to Australia when there is no employment for those who are here, and when many of our people are drifting to South Africa in search of employment.

Senator DOBSON.—This means, after all, that the stronger the Labour Party becomes the more unemployed we shall have with us.

Senator DE LARGIE.—No. We know that in every country in the world, whether there be a Labour Party in it or not, there is a large army of unemployed. In the United Kingdom, from which we are proposing to bring immigrants, there is a larger proportion of unemployed than in Australia. We know, from statements made by Mr. Campbell-Bannerman, the leader of the Liberal Party there, that no less than 12,000,000 of the people of the United Kingdom are on the verge of starvation.

Senator WALKER.—And the honorable senator will not let any of them come here.

Senator DE LARGIE.—I am not at all anxious to make Australia the dumping

ground for the rest of the world. I am anxious that our population shall live under the best possible conditions we can give them, and when the whole of our people are employed, and we have room for more, I shall be willing to consider a proposal to introduce immigrants from the United Kingdom. So long as we have unemployed amongst us, it would be unfair to them, and also to the people we should be bringing out, to endeavour to entice immigrants to Australia.

Senator GRAY.—Does not history show that there have always been unemployed?

Senator DE LARGIE.—That is quite true. History proves that undoubtedly, and the reason of it is that the basis of industry has always been wrong. Instead of industry being nationalized it has been left in the hands of so-called private enterprise, in which I have no doubt Senator Gray is a great believer. Until such time as we extend the principle of nationalization to industry we shall always have unemployed with us. What I am concerned about at the present time is that we shall not increase the number of unemployed in Australia. I believe that if we brought people from the old country, and dumped them down in Australia at the present time we should, so far from doing any good to the country, do the Commonwealth, and also the people who live here, an injury. We must do something to remove the unemployed curse—it can be called nothing else. Any man out of employment, that is any poor man—many of the rich are out of employment all the time, and it does not affect them—who has to seek work, is living in a hell, if there be such a place in this or any other world. The poor man out of work has discovered it. I desire to refer briefly to the administration of the Immigration Restriction Act. The Act has not been satisfactorily administered in Western Australia. We have heard many complaints about the six hatters, but I propose to refer to the operation of the Act in Western Australia from another standpoint.

Senator WALKER.—Do away with it altogether.

Senator DE LARGIE.—We shall do away with it in its present form by legislating to keep the Asiatic out of the Commonwealth more effectively than we have done in the past.

Senator Sir WILLIAM ZEAL.—Take care he does not come down and turn the honorable senator out.

Senator DE LARGIE.—If we were all like Senator Zeal the Asiatic would be here in such numbers now that there would not be much room either for the honorable senator or myself. I find from the *Statistical Journal*, issued by the Government of Western Australia, that whilst the population of that State increased materially during the last twelve months, the number of Europeans—and I refer to those introduced from the Continent of Europe and not to those coming from the United Kingdom, or from the Eastern States—has been less than the number of Asiatics who have landed in that State. So that our yellow, brown, and brindled population in Western Australia is actually increasing at a greater ratio than is the European population.

Senator Lt.-Col. GOULD.—What are the figures?

Senator DE LARGIE.—I take the figures from the *Statistical Journal of Western Australia*. I find that the number of British and Australians was 28,604. I leave those out of consideration, because 27,000 of them came from the eastern States.

Senator PULSFORD.—They are white, are they not?

Senator DE LARGIE.—I believe they are whiter than the honorable senator, any way.

Senator PULSFORD.—Then they are white.

Senator DE LARGIE.—I find that the number of Europeans who arrived in Western Australia from the Continent of Europe was 1,013, as against 1,297 Asiatics.

Senator Lt.-Col. GOULD.—What are they employed in—the pearling industry?

Senator DE LARGIE.—I admit that a number of them are employed in the pearling industry, but they are engaged in almost every conceivable kind of work except gold-mining.

Senator Lt.-Col. GOULD.—Perhaps some of them came from the eastern States?

Senator DE LARGIE.—I have no doubt that Senator Pearce will be able to inform the honorable and learned senator how they came from the eastern States, and the information will be found interesting. The figures I have quoted go to show that though the Immigration Restriction Act may not require amendment its administration has been in fault. We should try to stem the tide of Asiatic immigration going into Western Australia, which is becoming a very serious matter for that State. When we consider

the excess of arrivals over departures, we find, according to the figures given, that in Western Australia we have gained only 405 Europeans as against 834 Asiatics. A difference of two to one in favour of the Asiatics discloses a state of affairs which we must remedy as soon as possible.

Senator PLAYFORD.—To what year do the figures refer?

Senator DE LARGIE.—The last year—1903. I have quoted the figures from the latest return on the subject compiled by the Government Statistician in Western Australia.

Senator Lt.-Col. GOULD.—No doubt the Vice-President of the Executive Council will be able to explain it.

Senator DE LARGIE.—The only explanation which I can give is that the Act has not been administered as carefully as we should like. Last November I had word sent to me from the gold-fields that certain men were coming into the country. I rang up the Collector of Customs and drew his attention to the matter, telling him the name of the steamboat in which they were coming. I have never even received a reply from the Collector of Customs, and if the administration of the Immigration Restriction Act is being carried out in the same way all along the coast of Western Australia it is time we had a different set of officers in the Department. I regard as the most pleasing item in the bill of fare presented to us the brief reference to an old-age pension scheme. No State in the Commonwealth will welcome the advent of a measure of this kind more than the State of Western Australia, because we have a large proportion of old people in that State who could not possibly comply with the qualification as to residence under any of the Old-age Pensions Acts of the States. Our Act would be useless to them if we insisted on the same qualification as to residence as obtains in Victoria and in New South Wales. We know that such a qualification has been a necessity in order to guard the interests of the States, but in Western Australia we have a large percentage of old fellows, who, for the last fifty years, perhaps, have been following up the gold-fields and wandering from one State to another. They have during the whole of the time resided in Australia, and have done valuable service, but they have never lived long enough in any one State to enable them to qualify by residence for an old-age pension under the States Acts. Hence the necessity for a Commonwealth Act which

will enable these worn-out old people to secure the benefit of such legislation. I believe that the Australian Governments have done more in this direction than have the Governments of any other country in the world, but I make bold to say that the Federal Government that has the honour of placing an Old-age Pensions Act upon the Commonwealth statute-book will earn the undying gratitude, not only of the old and worn-out workmen of Australia, but of all who wish to see legislation of this kind passed for the benefit of those who have arrived at a time of life when they can no longer battle for a living for themselves. I hope we shall be able during the life of this Parliament to deal with some of the obligations imposed upon us by the Constitution which remain unfulfilled. The first to which I will refer is the settlement of the Federal Capital question. That is a question which should receive attention as early as possible, and I hope it will be dealt with in such a way as will remove any ground of complaint which our free-trade friends from New South Wales may consider they have. As I said in the last Parliament, I am desirous of carrying out any obligation we are under in respect of the Federal Capital. I did all I could in that direction during the last Parliament. I see no reason to alter the views I then expressed, and I hope that in the near future we shall be able to do something towards the settlement of this great national question. There is another equally strong obligation imposed upon us by Federation, and that is the construction of the trans-continental railway.

Senator STYLES.—The honorable senator means the coastal railway.

Senator DE LARGIE.—No, it is an entirely inland railway. I am sure that if Senator Styles were to go as far inland as the route of this railway he would come back here in much better health than he enjoys at the present time, and that is what we should all be very pleased to see. The honorable senator, after an examination of the track of that railway, would also come back in a more rational frame of mind to consider the question. He would see there much that would fascinate him, and he would be impressed with the necessity for the railway. We should then cease to hear from him remarks of the kind he has been making in the past in opposition to it.

Senator STYLES.—And will again.

Senator DE LARGIE.—We must recollect that if we are going to make full use of this continent of ours, and are going to do something more than occupy the fringe of it along the coast, we must have railways. Other continents of the world have their great interior waterways, but the great deficiency of Australia is that its interior is practically without rivers of any kind. It is, therefore, only by means of railways that we can hope to develop the great no-man's land in the interior of Australia. There is no shirking this question. If we are to be worthy to hold Australia we must make use of it. If, as in the past, we are to continue to hang on only to the fringe along the coast, and to make no use of the interior, we can claim no more right to Australia than could the blackfellows whom we have displaced.

Senator Lt.-Col. GOULD.—We shall require population to make use of the interior.

Senator DE LARGIE.—And we shall get the necessary population.

Senator Lt.-Col. GOULD.—Where are the people to come from?

Senator DE LARGIE.—We have people in the interior now. We have people living 600 and 700 miles from the coast at the present time on the track of this railway, and if more railway facilities are given a larger population will be induced to go into the interior.

Senator STYLES.—How far is the railway from the coast now?

Senator DE LARGIE.—In Western Australia we have railway extension now to about 700 miles from the coast. Honorable senators will find that the railway system of the Murchison gold-fields extends to 600 or 700 miles from the coast.

Senator STYLES.—I am referring to the trans-Australian railway.

Senator DE LARGIE.—If the honorable senator refers to the eastern gold-fields railway system, I can tell him that extends to a distance of 400 miles from the nearest point on the coast.

Senator STYLES.—It is only 200 miles from Esperance.

Senator DE LARGIE.—The honorable senator was speaking of the extension of the railway system, and I can tell him that the terminus of the eastern railway is nearly 500 miles from the coast. I have already said that a great part of the interior of Australia cannot be developed without railways.

Senator STYLES.—This is not an inland, but a coastal, railway.

Senator DE LARGIE.—I shall not quibble on that point ; at any rate, the proposed railway crosses Australia from west to east. The scheme is a feasible one which, I think, the Commonwealth is under obligation to carry out, seeing that such a railway is quite as much part and parcel of the Constitution as if it had been made a stipulation in black and white.

Senator DOBSON.—Nonsense !

Senator DE LARGIE.—There is not the slightest doubt that if, when the Constitution was being decided, the representatives of Western Australia had stipulated for this railway it could have been secured. The one blunder on the part of Western Australia was in agreeing so readily to the Constitution before the rights of that State had been made safe.

Senator STYLES.—But a transcontinental railway was not included in the Constitution.

Senator DE LARGIE.—At all events some of our Federal leaders recognise that the construction of this railway is an obligation. Victorians may repudiate that idea, but there are those who regard the construction of this railway as being as much an obligation incumbent on the Commonwealth as the provision of a Federal Capital. Whether the construction of the railway be a Federal obligation or not, the interior of Australia can never be made use of without such communication.

Senator WALKER.—And population.

Senator DE LARGIE.—If the railway be built, population will follow. The Western Australian Government have carried a river of fresh water into regions which the railway would serve, and 400 miles from the coast there is, perhaps, the finest inland city on the continent. The people of that State have done their best to develop the interior, and it is now for the Federal Government to do the rest by building this railway, without which Western Australia will gain nothing, but lose much by Federation. Western Australia affords a splendid market for the eastern States ; and if that State has to remain cut off from the rest of Australia by a thousand miles of desert, it might as well be an island in the Indian Ocean.

Senator STYLES.—Surely the honorable senator would not make a railway through desert country ?

Senator STANFORTH SMITH.—It is not desert, but deserted country.

Senator DE LARGIE.—It is desert country so far as population is concerned,

but it has been proved to be richly auriferous, and we know, from the reports of engineers, that there are good pastoral areas.

Senator STANFORTH SMITH.—There was a time when Victoria was considered a desert.

Senator DE LARGIE.—It is true that at one time Victoria was considered a desert by the people of New South Wales ; and the very spot where Kalgoorlie stands was not so many years ago similarly described.

Senator STYLES.—Is that where all the unemployed are ?

Senator DE LARGIE.—Unfortunately, Western Australia cannot absorb all the unemployed of Victoria, though a fair share of the population of the latter State have been given a living in the West. There are in Victoria many persons who are dependent on workers in Western Australia, who every month send over money for their maintenance. I believe that the Senate will agree to a survey being made, but something more material must come out of the proposal, because, as I have said, unless such a line be built, Australia can never be fully developed.

Senator STANFORTH SMITH (Western Australia).—The honorable senator who moved the Address in Reply characterized the speech of the Governor-General as a very comprehensive document ; another honorable senator called it vague and indefinite ; and most of us will, I think, subscribe to both definitions. The Governor-General's Speech seems to have been stuffed with every subject on which we have power to legislate under the thirty-nine articles of the Constitution.

Senator PLAYFORD.—No ; there is not a word said, for instance, about banking, or marriage and divorce.

Senator STANFORTH SMITH.—I am glad that one or two subjects have been left for the legislation of posterity. Many of the items mentioned are merely indicated by a pious wish that legislation at some time will eventuate, and there are other subjects on which the Government have not the slightest intention of legislating. Some twenty-two measures are outlined. But, in the first session of the first Parliament, which lasted seventeen months, a similar number of measures were dealt with, exclusive of Bills relating to the Consolidated Revenue and Appropriation ; and it will be impossible, during the present

session, which will probably last only six months, for us to legislate on anything like the number of subjects mentioned.

Senator PLAYFORD.—Mention some proposal on which the Government do not mean to legislate.

Senator STANFORTH SMITH.—I shall mention some, and one is that of old-age pensions. Why did the Government pack all these subjects into His Excellency's Speech? It seems to me that the object was to cram in all the subjects they could think of, and, when Parliament assembled, to feel the pulse of the Houses, and count heads, and then introduce only those measures which they knew they could pass. In this matter, however, I think we ought to take a somewhat charitable view of the action of the Government. We must remember that the Government are in the extraordinary and anomalous position of representing about one-third of the members of this Parliament.

Senator PLAYFORD.—And the Opposition is in the same position.

Senator STANFORTH SMITH.—The Opposition do not pretend to lead Parliament.

Senator Lt.-Col. GOULD.—The Government are not so well off in this Chamber as in the other.

Senator STANFORTH SMITH.—In the Senate, I think, the Government have five supporters beyond the Ministers, and it is quite impossible, under the circumstances, to uphold the principles of responsible government. If the Government continue in office they must be opportunists, and first count heads in order to ascertain what legislation they are able to pass.

Senator Lt.-Col. GOULD.—Some people are wicked enough to say that the Government have been in that position all along.

Senator STANFORTH SMITH.—The Government have been in a minority from the first, but they are now in such an abject minority that it is necessary for them to get substantial aid from the Opposition or the Labour Party before they can pass a single measure. The speeches and criticisms on the address of His Excellency have been chiefly introspective. Honorable senators have been devoting their attention to internal measures which undoubtedly are of chief importance. But I think our Federal life and our Constitution place on us powers and responsibilities which extend even outside the borders of Australia. I am

surprised that in the speeches made there has been no reference, or hardly any, to the important matter of defence. At the present time a war rages between an Asiatic power and a great European nation, and we must recognise the fact that we are to a greater extent than perhaps any other country, interested, if not in the war, at all events, in preventing the war from spreading. Great Britain, as we know, has entered into an arrangement with Japan by which, if any other nation or nations come to the assistance of Russia, Great Britain must declare war not only against Russia, but against those other nations. It is quite within the bounds of possibility—though we sincerely hope that such will not be the case—that France or Germany, or both, may declare in favour of Russia. In such event, what would be our position? We may be comforted by the alleged statement of the Minister of Defence that we are ready for any emergency; but if we look at our position we find that we are in a most dangerous state of unpreparedness. We have not enough men to even man our forts. The number of men at our strategic points have been reduced by no less than 200 below the minimum, which, the Commandant says, is necessary to work the guns. The men employed at those points require from three to six years' training, and are really military mechanics; and yet the services of many of them have been dispensed with, and they have gone we know not where. At the present time, when there is a possibility of Australia being engaged in war—a war which would spread throughout the whole of Europe—we find that many of our guns are obsolete, and that our forts, in the words of the Commandant, are dangerously undermanned. It is time for us to say that at our forts, at any rate, there shall be sufficient men to work the guns. What is the position at our three strategic positions of Thursday Island, Sydney, and King George's Sound? The Commandant has told us that the absolute minimum of men for safety is as follows:—At Thursday Island, 101 men, where there are at present 53; at Sydney, 278 men, where there are 217; and at King George's Sound, 40 men, where there are 30. It will be seen that we are 119 men short in these three positions of the actual number of men required to man the guns and look after the defences generally. We have a peace footing of soldiery, including a citizen army and riflemen, of 56,000 men, and yet I venture to

say we have not sufficient modern rifles to go round half the number. An arrangement has been made which ought to be altered as soon as possible, with a private firm to supply the Commonwealth with ammunition.

Senator DE LARGIE.—The honorable senator would not give the Government “a show” in the Tariff.

Senator STANIFORTH SMITH.—I have always been in favour of the Government doing this work. According to the Commandant, the minimum supply of ammunition is 10,000,000 rounds, but I doubt very much whether we have anything like that supply. If our communication by sea were cut off, as it might be if two nations like Germany and France—which have the largest fleets in the world, with the exception of Great Britain—were opposed to us, we should not be able to import the necessary raw material. What raw material have we here? I admit that in the case of lyddite we have the authority of the Minister of Defence for the statement that it can be manufactured out of gum trees; and if that be so we have, of course, a very large quantity of raw material. As to ammunition and the military position generally, I think that if the Government were to propose on the next Estimates to purchase 50,000 rifles, procure modern armament for our forts, employ a sufficient number of men to man the latter, and commence a Commonwealth manufactory for the production of ammunition, their proposals would be accepted by large majorities in both Houses.

Senator PLAYFORD.—What has our experience been? When the Government have submitted Estimates they have been cut down.

Senator STANIFORTH SMITH.—Our experience is that the Government have allowed the Commandant to manage the forces in such a manner that, in addition to a staff to each State, there is a Head-Quarters Staff, made up of a large number of men covered with gold lace. Instead of encouraging citizen soldiery, and seeing that the men have arms and ammunition, and that the fortifications are in a proper condition, the money has been spent in unnecessarily turning volunteer regiments into militia.

Senator PLAYFORD.—The honorable senator quotes Major-General Hutton on one side of the argument, and then quotes him on the other.

Senator STANIFORTH SMITH.—I am quoting the Commandant on the question of the forts, because he is the only authority we have. I am glad to see that the present Minister of Defence is in favour of a Council of Defence, by means of which, I believe, we shall obtain continuity and have a policy more in accord with the spirit and genius of the Australian people than any policy brought from Europe, based on professional militarism and altered by each succeeding Commandant. With a Council of Defence our men would, at any rate, be supplied with arms and ammunition, and the forts put in a proper state of preparation. Another matter which has not been touched upon previously is that of Australia's policy in the Pacific. The position with regard to the New Hebrides is most unsatisfactory, and should give us the gravest concern. We endeavoured to promote and increase our interests in these islands by assuming the responsibility for a subsidy of £3,600 paid by New South Wales, and increasing it to £6,000, in order to provide a monthly mail service between Australia and those possessions in the eastern portion of the South Pacific. The result has not been as satisfactory as we anticipated. In 1901 the white settlers in the New Hebrides numbered 159 British, 293 French, and 23 of other nationalities, whereas in 1903 there were 180 British, 300 French, and 30 of other nationalities. It was stipulated in the agreement made with Messrs. Burns, Philp, and Co. that that firm should practically place at the disposal of the Commonwealth 100,000 acres of land which had been obtained from the defunct Australian New Hebrides Company; and that land is held in trust, and settlers from Australia can obtain areas at the peppercorn rental of 1s. for 50 acres. We find that on the representations made sixty-seven colonists went to the New Hebrides to settle. A few months ago there were only fifty-one colonists, consisting of thirty-one men, five women, and fifteen children; and, according to the latest reports I have been able to get, the number had dwindled down to about twenty. Such is the result of our endeavours to increase our influence in the group. We are forced to the conclusion that our colonization policy so far has been a lamentable failure. Our trade with the New Hebrides—in fact with the Pacific Islands—seems to be in a languishing condition. The imports from the New Hebrides last year to Australia amounted to less than £20,000. A recent visitor to the New

Hebrides contributed to a Melbourne daily an article, in which he wrote of the colonization scheme in these terms:—

The feeble attempt made to encourage Australians to try their fortune in the picturesque islands has proved, as it was destined to prove, a failure, which would be ludicrous if it were not so pathetic. About a score of adventurers, under arrangement with Burns, Philp, and Co., were planted in Santo.

It is often said that trade follows the flag. It would be correct in this instance to change that aphorism and to say that in the case of the New Hebrides the flag will follow the trade. Whichever nation obtains a preponderating influence in the group as regards trade and population will obtain what the diplomatist calls "effective occupation," and that will result probably in it getting the sovereignty of the islands. Let us ask ourselves what is the cause of the failure which has so far attended our efforts to increase our influence in this group. The French are not better colonists than the Australians; they are not more strenuous or more able than we are to overcome difficulties. The fact is that the French colonists have received greater care and attention, and the French authorities have provided them with greater facilities than have been provided for the Australian colonists. Take, for instance, the question of subsidies. The French New Hebrides Company receives a subsidy of £16,000 a year; Ballande and Co., who run a mail service between the New Hebrides and New Caledonia, receive a subsidy of £2,000 a year; while the steam-ship *Pacifique*, which runs between the New Hebrides, New Caledonia, and Australia, receives a subsidy of £2,000 a year. There is also the *Messageries Maritime* line which trades there, and which, of course, is under a general subsidy from the French Government. The French colonists, therefore, have the benefit of subsidies ranging from £20,000 to £25,000 a year, against our subsidy of £6,000 a year spread over, not only the New Hebrides, but Norfolk Island, Howe Island, the Ellice group, the Solomon Islands, Fiji, and other islands. Besides the three subsidies for mail services the French Government, through the New Hebrides Company, give a subsidy of £16,000 a year to their colonists—something in the shape of a bonus. In the case of the last batch of French colonists each colonist was given a sum of £200, in order to enable him to make a start. We must admit that under such circumstances Australian colonists are very seriously handicapped. That is not, however, the only

handicap; in fact I believe it is not the greatest handicap. We subsidize this line of steamers, not only to carry mails, but in order to increase our trade with the New Hebrides, and, at the same time, we practically preclude the possibility of the settlers trading with us by levying heavy duties on all the natural products of the islands.

Senator PLAYFORD.—What duties?

Senator STANFORTH SMITH.—The duties on maize, coffee, and bananas. Such policies are mutually destructive. We subsidize at considerable expense a mail service in order to increase our trade, and we make it impossible for the colonists to trade with us. The principal industry of this group is the production of copra. On their arrival the colonists have to clear land covered with scrub, and to plant their cocoanuts, and they have to wait from six to eight years before they can get any remuneration from their crop. What are they to do in the meantime? They can grow maize, or bananas, or coffee—it takes some years before a settler can get any remuneration from the growth of coffee—but their market in Australia is practically shut against them by, to them, a prohibitive Tariff.

Senator PLAYFORD.—So it was before the Tariff was imposed, except in the case of one State.

Senator STANFORTH SMITH.—They had a population of over 1,000,000 persons to supply, under free-trade conditions, except in regard to tobacco.

Senator PLAYFORD.—New South Wales had a duty on coffee.

Senator STANFORTH SMITH.—Not under Mr. Reid's Tariff, I think. On that point I shall read an extract from an article by a gentleman who was recently at the islands. He says—

Surely a more prescient investment of public money might easily have been discovered. The arrangement with Burns, Philp and Co. was plainly rendered nugatory and ridiculous by the operation of the Federal Tariff. Volunteers were wanted to grow coffee, tobacco, bananas, and copra, for the purpose of effectively occupying the New Hebrides for Australia, but their produce was shut out from the Australian market. The incipient industries were throttled by the hand that should have cherished them.

Senator O'KEEFE.—Who is the writer?

Senator STANFORTH SMITH.—Mr. Carlyle Smythe in the *Argus*. That newspaper also published an interview with Commander Rason of the New Hebrides, who is,

I think, the best authority we have in regard to that group. He says:—

The prohibitive duties levied on maize by the Commonwealth also embarrassed them very much. For the first six years after reaching the islands, they must grow maize to make a living. The cocoanut trees take that time to grow, and so they have to wait till then to obtain copra. With a duty of 3s. 4d. a bag on maize they cannot grow it at a profit.

That, I think, is the true reason why Australians have been so handicapped. How do the French, who are our rivals, and are anxious to obtain a preponderating influence, treat their colonists, apart from the subsidies which I have mentioned? The French recognise that the extension of their trade means the extension of their influence in the group; and they give special concessions in New Caledonia for the importation of produce from that group. They place the New Hebrides on the most favoured basis of a French colony. The products of the most favoured French colony are subject to no lower tariff than are the products of the New Hebrides, which, in New Caledonia, find a large market. The important point is that that special concession is only given to French colonists; so that our unfortunate settlers are shut out of the Australian and New Caledonian markets. Our kith and kin in the group are in the unfortunate position of being able practically to grow nothing, while they are supposed to wait for six years for their cocoanut palms to reach a bearing stage.

Senator HIGGS.—Why do they not stay in Australia? Is it not big enough for them?

Senator STANFORTH SMITH.—I think it is exceedingly necessary for us to extend our influence in the New Hebrides, and to keep that group free from the French flag. Some of the Australian settlers almost seem to favour the annexation of the islands by the French; and really, from a utilitarian point of view, it is undoubtedly to their interests to do so, because they would then have a market for their products. New Caledonia is a large island, comparatively sterile—it is a large mineral belt—while the New Hebrides can produce all the agricultural products which it may require. New Caledonia, therefore, offers a good market to the New Hebrides; and if the latter group should come under the French flag, the Australian settlers would not only have the advantage of getting a good market and special concessions, but they would get the benefit of the bonuses which are now given to French settlers. Senator Higgs

does not seem to think that the New Hebrides group is of much value so far as Australia is concerned.

Senator HIGGS.—We do not want the place; we have too much land of our own.

Senator STANFORTH SMITH.—The islands of the New Hebrides group are of great strategic importance, and we do not wish that festering sore in the Pacific—the convicts and moral filth of Europe—to spread close to our shores. Australia's destiny in the future, I believe, will be largely in the Pacific Ocean. We have across the Pacific Ocean 80,000,000 or 90,000,000 British-speaking persons, who will no doubt trade very largely with Australia. We live in different hemispheres, and our crops mature when winter prevails in North America. I believe that the trade of America will be much increased when the Panama Canal is constructed. It behoves us to look forward and to inquire what is likely to happen if these islands should become the possessions of foreign nations. We know that America views with the greatest regret the fact that in the Caribbean Sea various nations hold islands which will be right in the highway to the Panama Canal. It has gone to war in order to take one island, and is endeavouring to purchase other islands. We ought to say that we do not wish foreign nations to come close in to our shores.

Senator HIGGS.—That does not prove that we would be right in making such a proposal.

Senator STANFORTH SMITH.—We must regard the question from the standpoint of what is best in the interests of Australia. We are not humanitarians to such an extent that we are going to do just what is right in the interests of the world, regardless of our own interests. I believe that the time will come when the Pacific Ocean will be largely covered—I hope it will—with Australian mercantile fleets. It would be exceedingly dangerous if islands close to Australia were converted into harbors, coaling stations, and strategic bases for foreign nations, from which their war-ships could run out and destroy our commerce. We should endeavour in every possible way to obtain a preponderating influence in, or the control of, the New Hebrides. I have advocated before, and I advocate now, that the Government should endeavour to get Great Britain to exchange some territory for the French interests in the New Hebrides—a territory equally

valuable to France, but from the Australian and British point of view, of no strategic importance to us. Lately Great Britain was negotiating with France with regard to the delimitation of the boundaries of Morocco, and a considerable concession of territory was granted to France. I was hoping that at that time the Ministry would endeavour to get France to relinquish her interests in the New Hebrides, when she was able to make such a favorable arrangement in the case of Morocco.

Senator PLAYFORD.—Give her a free hand in Morocco.

Senator STANFORTH SMITH.—Practically they did. There are many other places in the world where questions of disputed territory arise. I would urge the Federal Government to move the Imperial authorities to try to induce France to exchange the New Hebrides for territory in places where it is of no strategic importance to the Empire. I believe that it was some dispute in regard to the New Hebrides and New Caledonia which brought Australian Federation to a definite issue. In the opening speech we have a statement—certainly vague, as most of their statements are—that the Government will have other proposals to place before the Parliament. I hope that when those proposals are submitted something will be done which will avert the petering out of our little settlement there, as probably will otherwise be the case. In the opening speech we are also told that the Government intend to bring in a short Bill to enable the Executive to assume control of British New Guinea; and they state that, at a later date, when they have received further information, they will propose a comprehensive measure. Since the last Bill was withdrawn a period of seven months has elapsed. Immediately upon its withdrawal the Government began to make inquiries. They have had the advantage of seeing the Resident Magistrate, the Commandant of the Forces, the ex-Lieutenant-Governor, and other officials. They have had plenty of opportunities of gaining the fullest information, and yet they say that at a later date, when they have completed their inquiries, they will bring forward a comprehensive measure. This is a carefully-devised scheme to enable the Government to pass a Bill without any clauses in it in regard to land nationalization and the drink traffic. If they should succeed in befooling the Parliament so far as to get it to pass their Bill they will not bring up the other

Bill, at any rate for some years. I hope that the Houses will insist upon these Bills being introduced at the same time and passed together. Otherwise I shall certainly propose some amendments in the first Bill. With regard to the Federal Capital, I have nothing to say, except this—that we have made a solemn compact with New South Wales to build the Federal Capital as soon as possible, and I hope that before this session closes we shall have selected the site, and complied with the spirit and intention of the Constitution.

Senator DOBSON.—There is nothing in the Constitution that requires us to do so.

Senator STANFORTH SMITH.—My honorable and learned friend is indulging in legal hair-splitting. If we are going to construe the Constitution in that way, we may say that we need not build the Federal Capital for generations to come. But in that event, the Federation instead of being a blessing to Australia, would be a curse. The honorable and learned senator knows that the intention of the framers of the Constitution was that the Federal Capital should be selected as soon as possible.

Senator PULSFORD.—There is nothing in the Constitution to authorize delay.

Senator STANFORTH SMITH.—Another important question is the importation of Chinese to the Rand mines. That subject is coming up for discussion shortly, on the motion of Senator McGregor, and at this stage I will say no more than this—that I am cordially in accord with the action of the Prime Minister in the message which he sent to South Africa. Some vague references are made in the Governor-General's speech to the question of old-age pensions. The conduct of the Government from the first in regard to this matter has been most regrettable and reprehensible. They have made every possible excuse they could think of for not doing what I regard as an act of simple justice. The Government are well aware that the great majority of the people of Australia are in favour of old-age pensions. They are well aware that the majority of the members of this Parliament are pledged to old-age pensions. In the first session of the first Parliament three years ago the Government stated that they hoped that the financial obligations of the Commonwealth would allow them to propose a scheme. In the second session of the first Parliament they omitted the subject

altogether from the Governor-General's Speech. Over and over again they said that it was on account of the Braddon section that they could not propose old-age pensions, and that when that section ceased to operate they would submit a scheme.

Senator PLAYFORD.—They said that from the first.

Senator STANFORTH SMITH.—In other words they said that they would put off the settlement of the question for seven years. Now what is their excuse? It is that the settlement of it is conditional upon the taking over of the States debts.

Senator MULCAHY.—The two questions have no relation.

Senator STANFORTH SMITH. — I quite agree with my honorable friend. I cannot conceive what relation the one has to the other. If we take over the States debts we have to pay in interest practically the same amount of money as we now hand back to the States. How, then, are we to provide revenue for old-age pensions from that source? The Government certainly have made a proposal to dip their hands into the railway revenue of the States. But would not exactly the same result accrue if they imposed extra taxation, as if they took the railway revenue from the States, and necessitated the States Governments imposing taxation? Senator Pearce has an excellent suggestion which offers the means of obtaining the necessary money. Therefore, I hope that the Government will see their way to accord their support to his proposal. When we consider the marvellous progress that Australia has made during the last sixty years, whilst many of these old people have lived and worked in the country; when we consider that this vast continent has been explored from end to end, that magnificent cities have been built, that lands have been opened up, agriculture started, and our plains covered with flocks and herds; when we consider the enormous wealth that has been tapped by our pioneers—are we going to say that when these people become old and poor, no provision shall be made for them? Are they to be trampled down in our rush for the wealth which they helped to provide? How are we now treating those people who have done so much for Australia? Some of them are congregated in benevolent asylums and dépôts, receiving food from the cold hand of charity. Others, who have never committed a crime in their lives, die in gaols. Others meet with premature death, because they

have not got sufficient nourishing and sustaining food to keep them. I agree with the remark of Senator Henderson, that it is a stain upon the escutcheon of Australia that those who have done so much for us and have borne the heat and burden of the day, should be left in their old age to starve or to live in charitable institutions, where, in many instances, they are separated from their life-long partners. I sincerely hope that the Government will not wait for seven years before settling the question. The majority of the members of this Parliament are pledged to old-age pensions, and the majority of the people of the country are in favour of them. If the present Government does not introduce a scheme, I trust that they will be turned out of office to make room for a Government that will do so. There is a subject, besides the Divorce Bill, that the Government have not mentioned in the Governor-General's Speech. I think the omission must have been an oversight. They would have put it in if they had thought of it. I refer to a measure for the introduction of the metric system of weights and measures, and the decimal system of coinage. It is a subject of great importance, and, I think, of considerable urgency. Last month the House of Lords passed a Bill making the metric system of weights and measures compulsory within two years in Great Britain. I hope that that action will be indorsed by the House of Commons. If such should be the case, I believe that the metric system will become the law throughout the whole British Empire. At the Colonial Conference, in 1902, the delegates were practically unanimous in favour of the metric system. Subsequently, at a Congress of the Chambers of Commerce of the British Empire held at Montreal, resolutions in favour of it were carried. By the Legislatures of Australia and South Africa approval of the metric system has been expressed. Some time ago the House of Representatives appointed a committee of very able members to consider the question of decimal coinage and the metric system of weights and measures. That committee brought in a voluminous report, and the Government promised during the recess to consider the question of introducing legislation. There is absolutely no mention of it in the Governor-General's Speech. While I am strongly in favour of this great reform, I disagree with the proposal to substitute an entirely new system of decimal coinage for Australia.

It would be better for us to adopt the same decimal coinage system as prevails in Canada and the United States. It is a system which is used by 85,000,000 of English-speaking people. It is used by two-thirds of the English-speaking people of the world. Surely it is better for us to adopt that system than to start a brand new system of our own, different from all the others. It would be just as foolish for the different branches of the British Empire to adopt different systems of decimal coinage, as it was for the States of Australia to adopt different railway gauges. The effect would be to dislocate trade and commerce, and to create difficulties instead of giving us greater facilities. If the Government would introduce a short Bill, providing that within two years the system of coinage which prevails in the United States and Canada should be adopted in Australia, it would lead to Great Britain doing the same. Great Britain could not afford to stand out when two continents of British-speaking people adopted one system.

Senator Sir WILLIAM ZEAL.—That is rubbish.

Senator STANIFORTH SMITH.—That is a matter of opinion. Committees appointed by the Imperial Parliament have reported in favour of a decimal system of coinage; and the system that is in vogue amongst two-thirds of the English-speaking people of the world is the system which the other one-third should adopt. The Government have made no proposal in regard to the question of the coinage of silver. On looking into the matter we find that taking the amount of silver coinage used in Australia, and deducting the cost of coining, and the expense involved in the British Government taking back light-weight gold coins, our coinage of silver in Australia would mean a clear profit of £50,000 a year. It seems to me to be extraordinary that whilst we have for a long time been paying the loss on the coinage of gold in the Imperial mints in Australia, the coinage of silver, which entails such a large profit, has not been undertaken by us, and we have never made any strong representation that it should be handed over to us.

Senator Sir WILLIAM ZEAL.—Who would take our silver when it was coined?

Senator STANIFORTH SMITH.—We require a certain amount each year. A certain quantity comes out from England and is circulated in Australia. The amount of silver coin which is used entails a profit of £50,000 a year.

Senator PULSFORD.—Oh, no.

Senator STANIFORTH SMITH.—I have gone very carefully into the subject, and have before me the estimates of the Imperial mint, and of our own mints.

Senator Sir WILLIAM ZEAL.—The honorable member is talking of the silver coinage used in the British Empire.

Senator STANIFORTH SMITH.—I am talking merely of Australia.

Senator Sir WILLIAM ZEAL.—Then it is nonsense.

Senator STANIFORTH SMITH.—With regard to the transcontinental railway, the Government are entitled to congratulation that at this late hour they have done a tardy act of justice in promising a survey of the line. We, in Western Australia, desire that the public shall know the exact facts of the case. If a survey is made, we shall know approximately what the cost of the line will be. The survey will cost about £20,000, and probably will take a year to complete.

Senator PLAYFORD.—A couple of years.

Senator STANIFORTH SMITH.—Not at all. The work can be started both from the Kalgoorlie and the Port Augusta ends.

Senator PLAYFORD.—We are not going to rush the thing through.

Senator STANIFORTH SMITH.—The Government would like to spread it over a few years, and have it finished at about election time.

Senator PLAYFORD.—The surveyors can start at both ends, and meet in the middle.

Senator STANIFORTH SMITH.—It can be done in twelve months, and by that time South Australia's agreement to the construction of the line will be waiting for us. We know a great deal about part of the route already. The survey will show that the line will traverse good pastoral land, and that valuable mineral resources will be opened up.

Senator Sir WILLIAM ZEAL.—What about the break of gauge?

Senator STANIFORTH SMITH.—The gauge that we want and that is recommended by the Commission appointed by the Western Australian Government is 4 feet 8½ inches. The Commission was composed of the chief railway engineers of each State, and it must be admitted that that was the highest tribunal we could get. The Commission estimated that in the first year there would be a loss of £68,000 on the line. That in ten years' time there would be a profit of £18,000 a year after paying working expense and interest.

Senator PLAYFORD.—It is the Pacific Cable over again.

Senator STANFORTH SMITH.—I hope to hear a pacific speech in regard to the matter from my honorable friend. The whole of the railways of Australia pay only working expenses, and 2'88 per cent. interest.

Senator PLAYFORD.—The Western Australian railways pay nearly 6 per cent.

Senator DAWSON.—The North Queensland railway pay nearly 12½ per cent.

Senator STANFORTH SMITH.—I am speaking of the aggregate, and in the aggregate the Australian railways pays only 2'88 per cent., whilst the money borrowed for them carries interest at the rate of 3'60 per cent. In the opinion of this tribunal, this railway would more than pay in ten years.

Senator DOBSON.—I should like to ask the honorable senator if he thinks the railway will pay in that time?

Senator STANFORTH SMITH.—I am not so egotistical as to set my opinion against that of the highest experts who could be obtained.

Senator DOBSON.—I wanted the honorable member's opinion.

Senator STANFORTH SMITH.—As I have not been over the line, I have not formed an opinion. In connexion with this matter, I should like to mention the subject of the mail subsidy. I understand that the Government have practically decided to discontinue the steam-ship subsidies, and to adopt the poundage system for the carriage of mails. By doing so they propose to save £50,000 a year.

Senator DOBSON.—They do not know what they will save.

Senator STANFORTH SMITH.—It is admitted that the letter carriage will not be quite so speedy as it would be under a mail contract, but the Government suggest, as a compensation for that, that there should be a reduction in the rate of postage. I think that is going the wrong way about it.

Senator PLAYFORD.—That question has never been considered by the Cabinet.

Senator STANFORTH SMITH.—I am referring to a statement made by the Postmaster-General. This is proposed as a compensation for the great irregularity in the delivery of mails. I think that the Government were quite right in insisting upon white crews for ships subsidized for the carriage of

mails. But if they are to withdraw their subsidy for an ocean line I would ask whether a better result could not be obtained if the subsidy were applied to a land line. Let the allocation of the money be diverted from ocean to land carriage, and the results will be more favorable than they have been in the past. If the Government apply the subsidy hitherto paid for the carriage of mails by ocean steamships to subsidizing a railway from the eastern States to Western Australia, we shall have our mails two days earlier from Fremantle. We shall have an absolutely quicker mail service, and we shall pay £50,000 a year in Australia to Australian people, instead of paying the wages of Asiatic aliens.

Senator PLAYFORD.—Where does the honorable senator propose that the mails should start from?

Senator STANFORTH SMITH.—From Fremantle.

Senator PLAYFORD.—Why not from Brisbane?

Senator GIVENS.—Or from Port Darwin?

Senator STANFORTH SMITH.—There is no railway to Port Darwin.

Senator GIVENS.—There is no railway to Western Australia.

Senator STANFORTH SMITH.—I am making this proposal. If Senator Givens desires to make another proposal he can do so. I say that if the Government would divert the subsidy to land carriage, we could have a more efficient and speedy mail service, and we should be spending our money amongst Australians instead of giving it to the Asiatics who man the mail steamers.

Senator PLAYFORD.—That means that the mails would stop at Adelaide.

Senator STANFORTH SMITH.—There are many other items referred to in the Governor-General's Speech upon which I should like to have spoken, but I am afraid I have already taken up too much of honorable senators' time. I have referred chiefly to the question of Australia in the Pacific because it has not been mentioned by previous speakers, and it is one of very great importance. I hope that in connexion with the question of subsidizing the carriage of mails the Government will consider the advisability of subsidizing the land carriage of mails in the way I have suggested. By so doing, we shall expend money for the benefit of Australian people instead of Asiatics, and we shall have a better mail service than we shall have if the existing conditions are continued.

Senator O'KEEFE (Tasmania).—It is not my intention to make a long speech, but there are a few matters touched upon in the Governor-General's speech which I feel it incumbent upon me to briefly refer to. In the first place, I offer my congratulations to the Government, and through them to the Federal Treasurer, for having recently made an attempt to induce the States Treasurers to accept the idea which is prevalent throughout Australia, that it would be a good thing to consolidate as much of the States debts as we are allowed to take over under the Constitution. Although the attempt made did not end as satisfactorily as we could wish, we are entitled to believe that some good results will follow from it, and that a future attempt in the same direction will be more successful. I take a particular interest in this question, because the reference to it in the Governor-General's speech is closely followed by a paragraph dealing with old-age pensions in the following words:—

The re-adjustment of Federal and State finances contemplated in such an arrangement will, it is hoped, present an opportunity for the adoption of an uniform system of Old-age Pensions throughout the Commonwealth.

I do not propose to labour the question. My views, and the views of every other member of the Senate, are fairly well known. The majority of honorable senators, and a very large majority of the people throughout Australia, have arrived at the conclusion that, inasmuch as we have not yet reached that stage of civilization when we would consider it the proper thing to poison or shoot our aged poor, or to do away with them in any other manner, when they are no longer able to earn enough to keep themselves in decency and comfort, we should provide for them. The conclusion arrived at by the vast majority of the people of Australia is that we should at least deal out to them treatment as humane as that which we accord to the worn-out horses and cattle that have served us well. If a man has an old draught horse that has worked well for him he does not, when the animal is no longer able to work, turn him out on to the highway to starve, but, if possible, puts him in a paddock, where he can feed for the remainder of his days. The time has come when we should grapple with this question as it ought to be grappled with. I do not believe that the financial consideration should deter us any longer from dealing with the question as the

people of Australia wish it to be dealt with. I am entirely in accord with the Government in hoping that something may be done to give speedier and cheaper transportation to the large centres of population, of meat, butter, fruit, and other perishable products. Speaking as a Tasmanian, I am in a position to say that that State is keenly interested in this question. A great part of southern Tasmania is suitable for fruit-growing, and anything which can be done to accelerate the transport of such perishable products to the large centres of the world's population will greatly benefit Tasmanian producers. Any reasonable scheme for the purpose, even though it should involve some expenditure, will have my support. I propose to deal with the questions referred to in the Governor-General's speech in the order in which they appear, and I have only a few words to say on the question of immigration. I echo the sentiments expressed in this and in another place, and also by some public speakers outside, when I say that it is idle to talk of enticing people to come from any other part of the world to Australia, until we are in a position to offer them reasonable conditions of life when they come here. Every member of the Federal Parliament must be aware that this is a question which can be more effectively dealt with by the States Parliaments than by the Federal Parliament. I go so far as to say that it cannot be dealt with by the Federal Parliament, although it is one of our thirty-nine articles, one of those questions, the settlement of which has been handed over to us by the Constitution. It can never be dealt with by the Federal Parliament until such time as the States Parliaments have brought into force in the various States some proper system of land taxation. Senator Dobson knows as well as I do that one has only to travel over the trunk line from the north to the south of the island of Tasmania to find that good land, the value of which has been very considerably enhanced by the expenditure of the taxpayers' money in the construction of that line, is locked up from settlement. It is used to feed a few sheep and cattle, and it is not even as fully stocked as it might be. The honorable senator is also aware that we have a number of farmers in Tasmania, amongst the best settlers in the Commonwealth, who, if they have a few hundred pounds, and wish to make homes for themselves, must go miles and miles into the forest, and after half a life-time in

clearing and cultivating their farms, must pay nearly half the value of their produce to have it brought to market. While the States permit that kind of thing to continue, and make no effort to remedy it by some better system of land taxation, or at least by some better assessment of values under the existing land-tax systems, it is of no use for Federal Ministers to place in the Governor-General's speech these references to immigration. Unless we can get the States Parliaments to co-operate with us in this matter, we shall be able to do nothing to further immigration, which many of us think desirable, if it could be brought about under reasonable conditions. I am aware that the Prime Minister has said that this is a question largely affecting the States, and one which must be dealt with by the States Parliaments; and in the circumstances I think it is almost a pity that it should have been referred to in the Governor-General's speech when other matters of perhaps greater importance might have found a place there. This question is not going to be one of those toothsome morsels, which Senator de Largie referred to, that we are to have the pleasure of discussing during this session; and it is probable, therefore, that the reference to it in the Governor-General's speech will do no harm. I come now to deal with the proposed appointment of an Inter-State Commission. I have yet to learn what are the duties which this tribunal would have to perform if appointed; and I am very doubtful whether we should be justified in incurring the expenditure involved in the creation of the Department.

Senator DAWSON.—What would be the powers of the Commission?

Senator O'KEEFE.—The powers of the Commission would, I believe, be very great.

Senator DAWSON.—But supposing that each State appointed its own man.

Senator O'KEEFE.—I do not think there is any danger of that. I am open to conviction on this question; and I should have liked the question discussed by more of the speakers on the Address in Reply. So far as I have studied the matter up to the present the questions which will be relegated to an Inter-State Commission might be dealt with as effectively by the States Parliaments acting in unison with the Federal Parliament, seeing that they relate to preferential railway freights, wharfage rates, and so on. I am

afraid that this Inter-State Commission means another Government Department, or, at all events, of more expense for the taxpayer; and until we see that there is sufficient work to keep such a body profitably employed, some very good arguments will have to be advanced before I can vote for its creation. I am favorable to the appointment of a High Commissioner, who could very well take over the duties which have hitherto been performed by the various Agents-General, thus leaving the latter to become, to reverse the words, general agents in the commercial interests of their respective States. In my opinion, it is necessary to have a High Commissioner to deal with larger questions, some of which are of a diplomatic character.

Senator Sir WILLIAM ZEAL.—Is this another "tall poppy"?

Senator O'KEEFE.—That may be, but we already have a certain number of tall poppies, such as the Governor-General and the States Governors. My own opinion is that the High Commissioner will probably prove of more benefit to the community than any State Governor; and in such a case I do not mind a good salary being paid in return for proper services. The thanks of the people of Australia are due to the Government for having taken action in protesting against the introduction of Chinese to South Africa. I do not propose to deal at any length with this question which we shall have an opportunity of discussing later; but I must express my great surprise that leaders of public thought and great politicians, who were so keen in assisting Great Britain during the struggle in South Africa for the benefit of the white settlers there, and the extension of the franchise to them, are taking no action towards assisting the Prime Minister in objecting to this threatened influx of Chinese. Surely this is not a question which affects the Labour Party only, but one which affects every would-be leader in national politics in Australia. These leaders are, however, strangely silent; and more than that, when the Prime Minister took it upon himself, on behalf of the Government, to send a protest to the Imperial Government a few weeks ago, some of the leading journals told the Prime Minister, in so many words, that he ought to mind his own business. In my opinion the Prime Minister was minding his own business when he, as the mouthpiece of Australia, protested against this iniquitous influx of cheap aliens in South Africa. I have in

my possession a document written in South Africa two or three weeks ago, the truth of which I do not doubt for a moment; and it discloses a state of things which is almost incredible. It seems impossible to believe that any body of men would descend to such depths of meanness, as have the mine-owners in South Africa recently, in order to stifle and gag public opinion on this question.

Senator DOBSON.—Apparently the church does not object to the Chinese.

Senator O'KEEFE.—I am surprised that Senator Dobson should be an advocate of Chinese labour. I may inform the honorable and learned senator that some of the leading churchmen in England do object to the traffic, though there was a message last week stating that one religious body in South Africa had expressed approval of the proposal.

Senator DOBSON.—I am asking the honorable senator what he has to say about the church in South Africa not objecting?

Senator O'KEEFE.—But what about Archbishop Gould, and other ecclesiastics who object to the importation of Chinese?

Senator DOBSON.—They are not on the spot, and do not understand the question so well.

Senator O'KEEFE.—They thoroughly understand the question; and, however ardent an advocate Senator Dobson may be of Indian labour, on the ground that Indians are British subjects, I cannot believe that he is an advocate of the employment of Chinese labour in South Africa. In this instance he cannot fall back on the argument he has so often advanced in regard to the employment of Indians, that the Chinese are our fellow-subjects. Surely Senator Dobson would not take the bread out of the mouths of the white men, and their wives and children, and put it into the mouths of Chinamen. There is one question, however, on which, I think, Senator Dobson and myself might agree.

Senator PEARCE.—The question of the duty on hops, I suppose.

Senator O'KEEFE.—No, it is not. It may be remembered that during last session of Parliament, ex-Senator Cameron and other Tasmanian representatives drew attention to the subject of the different rates of payment to the military in Tasmania, as compared with those on the mainland. There has been a rather important development of this matter. When, a few weeks ago, the Commandant, in the ordinary

course of his duty, visited Hobart, expecting the members of the southern forces to meet him, only 119 men out of 800 mustered. The men openly and avowedly absented themselves as a protest against the action of the Government in having, as it was thought, cast a slur upon them in this matter of the differential pay. The subject was discussed on several occasions last session, and we were told that these rates of pay were not to be continued beyond this present year.

Senator DRAKE.—The Government did everything they were asked to do.

Senator O'KEEFE.—I must beg the Minister's pardon; the Government did not do everything they were asked to do. All the Government did was to agree to give a little extra money for the encampment. It was thought, even last year, that the rates of pay should have been made uniform at once. There was an interjection by Senator Mulcahy a little while ago, which I did not catch.

Senator MULCAHY.—I said that the Tasmanian Government, both present and past, were more to blame than the Commonwealth, if there was any blame at all.

Senator O'KEEFE.—Last year, when Senator Drake was Minister for Defence, I asked him a question on the point, and he was chivalrous enough to lay the blame on the Federal Government.

Senator DRAKE.—I said there was an expressed request on the part of the Tasmanian Government; there was a general request.

Senator O'KEEFE.—There was a general request to keep down the expenditure. Perhaps Senator Mulcahy, who was a member of the Government, which, I understand, first made the request, will say whether this was a matter for the Tasmanian Government, and not one for the Federal authorities, although the Defence Department had been expressly handed over by the Constitution.

Senator MULCAHY.—It was an item we had to deal with.

Senator O'KEEFE.—Perhaps it is as well to "let sleeping dogs lie." Whether the blame lay with the present Tasmanian Government or with the past, or with both equally, I am satisfied with the assurance that the Federal Government are not going to allow this injustice to be any longer continued. There is one other phase of the question of

which it is just as well to remind the Minister for Defence. The Commandant has hauled over the coals those members of the Tasmanian Defence Force for what, I think, he calls their unpatriotic action. According to the Commandant's way of thinking, it may have been unpatriotic for these men to refuse to muster; and, without quoting his exact words, I think he said that it was an insult to him that he should be made to suffer for the action of either the State Government or the Federal Government. I understand from what I have seen recently in the press that representations are being made, or are to be made, urging that some kind of punishment should be meted out to all these men for the slight they inflicted on the head of the forces. But considering the provocation, justice should, I think, be tempered with mercy. The men suffered quite sufficient injustice to perhaps provoke them to do what they did, and that much has been acknowledged by the Federal Government in undertaking that the differential rates of pay shall not continue. I believe that the majority of the members of the Tasmanian Government and Parliament also admit that the men were right in the view they took of the differential rates; and under all the circumstances I think that any intention to inflict punishment ought not to be carried out, in view, as I have already said of the provocation they have received, and considering that up to the present there has been only a promise to remove their grievance. In the Governor-General's Speech there is the following brief reference to electoral matters:—

It is intended to examine the experience gained in the recent elections with a view to an amendment of the Electoral Act.

These words are very vague and elastic, and might mean a great deal or nothing. But if any attempt is to be made to amend the Electoral Act so soon after it has been brought into existence, it should not be done hurriedly, but all the serious defects which were so palpable during the elections should, as far as human ingenuity will allow, be remedied. I do not believe in tinkering with the Act on one or two unimportant points, but desire to see the measure amended in all directions where it sadly needs amendment. Take, for instance, that portion of the Act which deals with bribery and corruption. Speaking from memory, not having the Act before me, I believe that the intention in this Chamber, and also in the other place, was to prevent, as far as

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possible, any corruption, bribery, or undue influence in securing votes.

Senator DAWSON.—We made that punishable.

Senator O'KEEFE.—Yes; but it provides no punishment for a candidate who provides refreshments, or, to use the vernacular, stands "treat" for any person before the day of nomination. I was under the impression that from the moment when a person announced himself as a candidate he was prohibited by the Act from providing refreshments for any elector; but on reference to the provisions I found that we had not. We made a great mistake in making the prohibition start from the date of nomination. It should have been provided in clear and distinct terms that the expenditure of any money by a person after he had announced his candidature, on indiscriminate "shouting," or in providing refreshments, or in any way which might assist in gaining votes, should render him liable to a penalty. In Tasmania some candidates were handicapped by reason of the fact that they had not very much money to spend. They were not able from the time when they announced their candidature to spend a sixpence on any person in the hope of getting his vote, whereas other candidates, I am told on very fair authority, spent rather freely up to the time of their nomination. Of course, they were within the law in taking that course, but I think that the law is bad, and ought to be amended. I hold that once a person has become a candidate it is just as corrupt to spend a pound in entertaining a number of persons at luncheon, or in providing them with liquor, as it is to spend any money for that purpose between the date of nomination and the date of election. There is another provision which might be amended, and that is the one which regulates the hours of voting. I know that in some parts of Tasmania the smallness of the female votes was due to the fact that the polling booths were closed too early in the evening. The town in which I happened to be on election day may be taken as a fair criterion of other towns, not only in Tasmania, but on the mainland. The hours of polling were very inconvenient to a large number of women who wished to record their votes. If the hours of polling had been extended to 9 o'clock, many hundreds of women would have been able to exercise the franchise. I refer to the numerous body of women who,

by reason of having no help in their households, were not able to go to the polling booth before 7 o'clock, but would have been able to go at some time between that hour and 9 o'clock. I trust that this matter will receive the earnest consideration of the Ministers when they are framing their Amending Bill. In the last Parliament we all recognised that the Electoral Act might require to be amended in the near future in the direction of perfecting its provisions. The Ministers might endeavour to ascertain who was responsible for the omission of the names of so many thousand persons from the rolls. Take, for instance, Tasmania, which may be regarded as a fair criterion of the other States. It was a scandal to find that the names of some hundreds of men had been left off the roll in a place where there were only some 3,000 electors enrolled.

Senator DAWSON.—The honorable senator ought to ask the Chief Electoral Officer.

Senator O'KEEFE.—I do not know whether it was the fault of that officer or not.

Senator PLAYFORD.—Why did not these persons make application to be enrolled?

Senator O'KEEFE.—I can assure the Minister that it was not owing to their default. My attention has been drawn to many cases where, although the policemen had taken down the names of a husband and wife, and placed them on the roll, the name of only the husband was found to be on the roll when it was published, or *vice versa*.

Senator PLAYFORD.—That was not the fault of the law, but the fault of the administrator.

Senator O'KEEFE.—I do not say that it was the direct fault of ministers, but it certainly was the fault of their officers. I think that they should endeavour to find out which officers were responsible for all these omissions. I believe that in some places it will be necessary for the Government to institute another house to house canvass by policemen. I know that in hundreds of cases the name of only the husband was left on the roll, although the names of both husband and wife were given at the same moment to the policeman who compiled the roll.

Senator PLAYFORD.—Did that occur in only one district, or in a number of districts?

Senator O'KEEFE.—In every district in Australia, so far as I can learn. It is

quite a puzzle to understand how such blunders could possibly have been perpetrated.

Senator PLAYFORD.—It did not happen in my neighbourhood.

Senator PULSFORD.—There were very few elections held in South Australia.

Senator O'KEEFE.—I am glad to learn from the opening speech that it is intended by the Government to bring in a Bill for the purpose of taking over the department of quarantine from the States. I think that the question of quarantine could be handled very much better by a central administration than by six different States, and I trust that the necessary transfer will be made before the end of the session. It is not a measure which ought to occupy the time of the Parliament very long, although it deals with a very important subject. During the outbreak of small-pox in Tasmania, and during the recent outbreak of small-pox in New Zealand, which we are all pleased to know has ended, a number of instances were brought under our notice, which clearly showed that it would be far better for Australia to have a Federal quarantine law. I cannot help feeling ashamed that during the recent campaign so many leaders of public opinion went on to the platforms and uttered palpable untruths about Australia in connexion with the *Petriana* myth.

Senator WALKER.—How about the United Kingdom?

Senator O'KEEFE.—It took its cue from here. We cannot be surprised at any opinion which may be expressed in the United Kingdom when we know that it is founded on slanderous statements, which are not only promulgated on every platform in the Commonwealth, and in a number of its newspapers, but are wired to London by newspaper correspondents, very many of whom write so much of the rubbish and nonsense that is printed in the Australian press.

Senator KEATING.—They get their information from polluted channels.

Senator O'KEEFE.—Yes. This thing which was described so aptly as a myth by the Prime Minister, has assumed almost national proportions, and so important is it considered to be in London that the Australian people are paying for long cables merely to learn the opinion of Lord Sweat'em-all, or some other titled nobody in Great Britain, as expressed in the columns of the *Times*. We cannot feel surprised, therefore, to learn that a number of the people of Great Britain

believe this slander that we refuse to allow shipwrecked sailors to land on our shores. During the election campaign this slanderous nonsense was uttered on many platforms by many gentlemen who knew that they were not sticking to the truth, and whose only desire was to make political capital for party purposes.

Senator WALKER.—The captain of the ship gave his version, and the people have as much right to believe him as anybody else, I suppose.

Senator O'KEEFE.—Does the honorable senator mean to tell me that he would take the word of a ship's captain, who comes here for only a few days, against the word of the Prime Minister and of his officials?

Senator WALKER.—We have seen the captain's account of the matter, and we assume that he was speaking the truth.

Senator KEATING.—He only spoke from hearsay.

Senator O'KEEFE.—I would excuse Senator Walker and other persons who have thought with him if they would now, from the public platform, or in the press, retract what they said during the electoral campaign, and tell the people that they had found out that they made a mistake in saying what they did. But they will not do that. The organs which profess to represent their line of political thought are even to-day repeating the same slanderous statements.

Senator WALKER.—Sixteen Japanese had to wait twenty-four hours the other day.

Senator O'KEEFE.—We are now talking about the *Petiana* wreck. These organs tried to make the people of Australia and of Great Britain believe that a number of shipwrecked sailors were knocked back when they tried to land. Nearly every public man, whether he was a candidate for election, or was assisting a candidate, had to meet the same story uttered for election purposes by men and newspapers, who were playing the part of traitors to their country. The free-traders, although they had the denial of the Prime Minister before them, long before the elections took place, never withdrew the slanders which they had uttered.

Senator DRAKE.—Senator Neild said only last week that the sailors were dripping wet.

Senator O'KEEFE.—Yes, Senator Neild repeated the slanders last week, no doubt to the accompaniment of cheers from the Opposition bench. I thank the Senate for having listened so attentively to my remarks,

and I hope that the session will be productive of good for the whole of the people of Australia, and not for any particular section or class of the people.

Senator PEARCE (Western Australia).—As a representative of the Labour Party, I should like to hear those who opposed our party at the last election justify their action on the floor of the Senate. They certainly failed to justify it when before the electors, as is shown by the added strength of the Labour Party. It seems that our opponents have discovered rather late in the day that discretion is the better part of valour, and have decided to remain silent. There may not be many more opportunities for them to speak in debates of this character, and I invite them to avail themselves of the chance while it is open to them. I do not wish to be a prophet of evil, but it is just as well to look at the possibilities. The Senate may very well congratulate the mover and seconder of the Address in Reply on the character of their speeches and the manner in which they were delivered. As to the programme which they were asked by the Government to father, certainly it is a very large infant, and I take it, from the number of the attacks which have been made upon it, and the praise that it has received, that it is a healthy one also. The recent elections have formed a fruitful subject of criticism, both in regard to the manner in which they were conducted and their results. I have been somewhat interested in the efforts of politicians to solve the somewhat difficult problem created by the presence of three parties in the Commonwealth Parliament. As has been frequently said, there are three nearly equal parties. The time has passed when the party of which I am a member was a minority party. To-day, in the Senate, we are in the proud position of being a majority party, and we can reasonably hope to see the time when that will be the case in the other House. We are told that, having regard to our position, we should now take some drastic action. The friends of the Government say that the Labour Party should trail in behind the Government and acknowledge themselves as a wing of the Ministerial supporters. The enemies of the Government are urging the Opposition to rally to their support. We are able to say to both the friends and the enemies of the Government that in either position we should be perfectly happy. We do not care whether the Government party so manage

affairs as to force us to vote with the Government, or whether the Opposition so manage affairs as to force us to vote with them. In either case we shall take good care that our principles go with us. As to the conduct of the elections, there have been criticisms by Ministers and criticisms by members. I wish to refer particularly to the criticism of the Minister who was responsible for carrying out the elections—Sir John Forrest. To those of us who come from Western Australia his criticisms were particularly refreshing. We find Sir John deploring the fact that some of the senators and some of the members of the House of Representatives represent minorities of the electors. That statement is refreshing to us, because that is the first time Sir John Forrest has ever championed the principle of minority representation. Considering that for ten years he was content to be the head of a Government, and to lead a Parliament which represented minorities, that he was kept in office by a minority, and that he denied to the majority the right to vote; considering that not until he was practically forced at the point of a bayonet would he concede the franchise to them—it is curious to find him, in something like a deathbed of repentance, at this late hour, deploring the representation of minorities. His sympathy is not needed so far as the Western Australian senators are concerned. They represent not a mere majority of the electors, but a tremendous majority of them. The minority was represented at the polls by the candidates who were unearthed by Sir John Forrest himself, whilst our candidates who were elected for the Senate represent in every case a substantial majority.

Senator WALKER.—Are they all protectionists?

Senator PEARCE.—They 'are labour men. Senator de Largie received a vote which was larger than the combined free-trade and protectionist votes. Senator Henderson and Senator Croft also polled a vote which was equal to the combined free-trade and protectionist votes. There were only three tickets, and, therefore, so far as Western Australia is concerned, her representatives in this Senate maintain that they represent a majority and not a minority.

Senator TRENWITH.—Not on Sir John Forrest's basis of calculation.

Senator PEARCE.—His basis is a very interesting one. I should like to be able to bring before the Senate the rolls upon which he bases his calculation. It would then be

found that nearly every division, in nearly every town, and in nearly every polling-place in the State there were names down half-a-dozen times for the same individual; there were names representing some individual who never existed, and for whom there was no corresponding person occupying the premises. Our canvassers went to residences occupied by persons who had lived there for a number of years. The name of the occupier did not appear upon the rolls; but some other name did appear for that same place, and in some cases the wrong name appeared many times over. Yet the names for the rolls were collected within the last twelve months. By whom these mistakes were made we cannot learn. But that is the manner in which the rolls were prepared in Western Australia; and that is the reason why our total vote is small compared with the number on the rolls. As a matter of fact, the rolls were stuffed.

Senator WALKER.—By whom?

Senator PEARCE.—By the electoral officers—by some one who compiled the rolls; not maliciously stuffed, but clumsily or by accident. Names were down half-a-dozen times for the same individual, and for persons who never existed, and for places where the people on the rolls never lived.

Senator Lt.-Col. GOULD.—There are only 117,000 names on the rolls for Western Australia.

Senator PEARCE.—That represents only about 70,000 actual voters.

Senator GRAY.—Were there not also names omitted?

Senator PEARCE.—Yes, hundreds and even thousands of reputable citizens, who had lived in their homes for years, had their names omitted from the rolls. Let me give an instance of the way in which things were bungled in Western Australia. There was a provision in the Electoral Act to enable voters who were away from their proper polling places on the day of the election to record their votes at other polling places. It was provided that an assistant returning officer or a returning officer should take these votes. It was provided that in every public centre there should be an assistant returning officer. Yet there were scores of places in Western Australia where no assistant returning officer was appointed.

Senator GUTHRIE.—There were only seven in South Australia.

Senator PEARCE.—We were not much better off in Western Australia. I can

give an instance out of many. I asked for it to be placed in writing, and here it is. The letter comes from Southern Cross, which is the centre of an electorate returning a member to the State Parliament. In the whole of that district there was no assistant returning officer. There was a deputy returning officer, but we could not find out until it was too late whether a deputy or an assistant returning officer was to be appointed. If we had known in time the electors could have voted under the postal vote system. But, believing that the Government would give them facilities, the electors did not take advantage of the postal system of voting, and were too late to take advantage of the system of voting at polling places out of their district. This letter is from persons living in the town of Southern Cross, and who went to the polling booth to record their votes, but were unable to do so because of the fault of the Government in not providing an assistant returning officer.

Sir,—We, the undersigned persons, were on the electoral roll in various districts of Western Australia, and entitled to vote for the Senate. Unforeseen circumstances caused us, on the day of the election, to be in Southern Cross, and our names were on the roll for other divisions. We each appeared at the Southern Cross polling booth, and there were told we were not entitled to vote at that booth; therefore our votes were not recorded. We feel that a great injustice was done to us, and we would humbly ask you to bring this matter before the Senate, and see if this defect cannot be remedied.

HENRY JOSEPH PEARCE, Kookynie, Coolgardie North.

JOSEPH ELDERMAN NICHOLSON, Kookynie, Coolgardie North.

DANIEL SLEE, Kanowna.

JOHN MCGEACHIN, Northam.

MARY E. MCGEACHIN, Northam.

DAVE E. HARDING, Kalgoorlie.

DON E. MCKENZIE, Northam.

That letter although signed by only seven persons who experienced this disadvantage, really represents about 200 persons. The letter was written within a week or so after the elections took place, but if the names of those so disfranchised could have been taken on the day of the election, the signatures of at least 200 could have been secured. Southern Cross is 120 miles away from the nearest assistant returning officer, and it was therefore absolutely impossible for any of these 200 men who could not vote at Southern Cross to vote elsewhere. That is only one case, and I bring it forward as an instance founded upon fact. The men who signed this letter are residents

Senator Pearce.

of Southern Cross, and, if necessary, their complaint can be investigated.

Senator GUTHRIE.—Their application was too late to be of any service.

Senator PEARCE.—It was. What happened at Southern Cross happened in every division of the State of Western Australia, and I could multiply instances of the same kind. I am certain that this difficulty was responsible for several thousand electors whose names appeared on the Western Australian rolls being unable to vote.

Senator DE LARGIE.—There were no polling booths in some places.

Senator PEARCE.—That is so, but that is a question apart from this. It would have been far better, under the circumstances, if the absent voters' provisions had not been contained in the Act, because then these persons, or, at all events, a great number of them would have availed themselves of the postal vote provisions. Knowing that this provision for absent voters was in the Act, and relying upon the Government to give them facilities to exercise their votes, they postponed their voting until it was too late for them to avail themselves of the postal vote. I must say, that I believe the Electoral Act is a very good one if it were properly and liberally administered.

Senator GUTHRIE.—The regulations under it are not too good.

Senator PEARCE.—Many of the regulations are very bad, but what is required is that the Act should be administered in a liberal manner, that provision should be made for back-country places, and that the Government should remember that there are many people who do not live in towns, but in the country, where one cannot run across a street to get from one division into another. Amongst the questions dealt with in the Address in Reply is one which, so far, has been touched upon only, I think, by Senator Trenwith, and yet it is a question which should be dealt with now, because, unless some honorable senator brings forward a motion for the purpose, we shall have no opportunity of dealing with it again until the Conference of Treasurers meets in April next. I refer to the question of the transfer of the States debts. It seems to me that the Government have a right to know the opinions of honorable senators upon this question. At the present time they are in negotiation with the States Governments.

Senator STANFORTH SMITH.—They will never do anything until they find out the opinions of members of the Federal Parliament.

Senator PEARCE.—They have a right to know the opinions of honorable members of the Federal Parliament upon a question of this kind.

Senator PLAYFORD.—We expressed our opinion on the subject at the Conference of Treasurers.

Senator PEARCE.—The Government have given us their opinion, because, I presume, they indorse the opinion of Sir George Turner. They are entitled to learn the opinions of members of the Federal Parliament, and more especially of members of the Senate, because the Senate specially represents the States, and this is largely a States question. I can see great advantages to the States and to the Commonwealth, and great disadvantages to both, in the transference of the States debts. I can see also that the question does not stand alone. It is bound up intimately with the question of the development of the States, and also with the question of taxation by the Commonwealth and by the States. We shall have to be very careful that we do nothing which will commit this Parliament or Australia to any system which will tie our hands on the question of taxation. It seems to me there is a great danger of that in the scheme outlined by the Federal Treasurer. Let me say at the outset that I have no sympathy with some of the opinions which have been advanced by the State Treasurer of Western Australia, and which have appeared in the press of Victoria recently. I think the statements attributed to that gentleman were uncalled for, and seeing that the Federal Treasurer did meet the States Treasurers, and in the fullest manner discussed this project, it was rather in bad taste, to say the least of it, that one of the States Treasurers should go back to his own State and practically vilify the whole proceedings. It is impossible to deal with this subject without using some figures, but I shall use as few as possible, because I recognise that the amounts in question are not of so much importance as are the principles involved. The total debts of the Australian States up to June, 1903, amounted to £223,519,767, and the interest payable thereon amounted to £7,290,190.

Senator STANFORTH SMITH.—We cannot take over the whole of the States debts under the Constitution.

Senator PEARCE.—We can only take over the debts accruing up to the time of the inauguration of the Commonwealth. The Treasurers themselves seem to recognise that if any of the debts were taken over it would be better that the whole should be taken over, as otherwise there would be divided liability.

Senator PLAYFORD.—The Treasurer of South Australia proposed that we should take over only a part of the States debts.

Senator PEARCE.—He did, but the consensus of opinion at the Treasurer's Conference was that it would be better for the Commonwealth to take over the whole of the debts, and Sir George Turner's proposal is worked out upon the assumption that the Commonwealth will take over the greater proportion of the debts of the States. The Commonwealth Treasurer, in returning three-fourths of the Customs and Excise revenue, and also in returning the surplus revenue, is able to hand back to the States the sum of £7,059,464. If we could lump together the liabilities of the States, and the receipts from the States, there would still be a deficit. That would be a simple proposition, but the difficulty, as pointed out by the Treasurer, is that under the book-keeping sections of the Constitution, we have to keep the accounts of the States separately, and we cannot use a surplus from one State to meet a deficit in another. For the State of Western Australia that happens to be a most fortunate provision. That is shown by the fact that it would take the surplus we have of about £500,000 to wipe out the deficit in Queensland of £629,000.

Senator STANFORTH SMITH.—It was proposed that after the debts had been taken over the book-keeping sections should be continued.

Senator PEARCE.—The difficulty is practically created owing to the book-keeping sections. Making each State liable for its own interest, if the money were used to meet interest in the proportions in which it was received by the States, there would be in New South Wales a surplus of £264,405, in Victoria a surplus of £82,011, and in Western Australia a surplus of £502,221, whilst there would be a deficit in Queensland amounting to £610,158, in South Australia to £439,414, and in Tasmania to £28,991. The Federal Treasurer proposed, in order to meet this position, that the States Treasurers should place their net railway

revenues in trust funds, and, on a certificate being given of the amount of any deficit, he should be able to take from those funds the money necessary to meet the deficit. He pointed out that, after taking the whole of the net railway revenues in this way, there would still be a deficit of £233,655 in Queensland, and of £34,176 in South Australia. The Federal Treasurer then said that, in order to meet that position, it would be necessary, in the case of those two States, to take not merely the net railway revenue, but the gross railway revenue, and to deduct from it sufficient to meet the liability of the States for interest. That practically is the proposal put before the States Treasurers by the Commonwealth Treasurer. We have to look at its effects, and I think they would be these: First of all, it would tie the Commonwealth up to maintaining the present Tariff during the whole period of the existence of the book-keeping sections. The Federal Treasurer proposed that they should be extended for fifteen years. Mr. Butler, the Treasurer of South Australia, proposed that the extension should be for forty-five years, but whatever the period of extension might be, this proposal of the Federal Treasurer would tie the hands of the Commonwealth to raising from Customs and Excise the amount now raised by that means.

Senator STANFORTH SMITH.—It would be a good thing for Western Australia to have the book-keeping sections continued.

Senator PEARCE.—It would, but not to tie our hands in this particular connexion, as I think I shall be able to show later on. The viciousness of the principle seems to me to lie here: that while the people are to be taxed to pay the Commonwealth, if they desire to change their method of taxation, having agreed to this scheme, they will have tied themselves up to the existing system of taxation for the whole of the time during which it will be in operation. So far as the fiscal question is concerned, protectionists and free-traders are equally affected. If the protectionist is consistent, his concern will be to destroy revenue by preventing imports. If he wishes to carry out his fiscal opinions, he will endeavour to prevent imports, and he must not tie himself up in such a way as to always receive the revenue at present received from Customs. The same thing applies to the free-traders, although I have begun to have my doubts as to what people who sit on the

Opposition benches mean by a free-trader. It seems to me that some of them are prepared to tie themselves up to raise revenue at the rate existing under the present Tariff, that is to say, to raise for all time in Australia a sum of about £9,000,000 through the Customs. They would appear to be even more antiquated than the English free-trader who does raise some 42 per cent. of revenue by direct taxation. The Australia free-trader of to-day seems to be prepared to raise the whole of the revenue through the Customs.

Senator PLAYFORD.—In England there is no direct taxation. Our States have direct taxation, and the conditions, therefore, are not similar.

Senator PEARCE.—The direct taxation by the States does not amount to more than about 25 per cent. of the total revenue raised. That is the comparison with the English example. There is another disadvantage in the proposed scheme, and that is, that it would prevent the Commonwealth undertaking any new expenditure. The scheme contemplates the using of the whole of the surplus revenue of the Commonwealth, as well as the three-fourths at present returned to the States. Perhaps some honorable senators will re-echo the cry of the State Treasurer of Western Australia, and say that that would be a good thing, as it would prevent Federal extravagance. This cry of Federal extravagance is, in many cases, very hypocritical. The present Treasurer of Western Australia has repeated the cry, according to the interview with him which was reported in the newspapers. I can give an instance, very much to the point, to show that this gentleman is one of those who have been guilty of State extravagance, which he has attempted to brand as Federal extravagance. Here is a particular instance. The Savings Bank in Western Australia was previously conducted in connexion with the Postal Department, but the State Treasurer, Mr. Gardiner, determined that in Perth, Fremantle, Kalgoorlie, Coolgardie, and the Boulder, that connexion should be severed.

Senator DE LARGIE.—These are the big centres of population.

Senator PEARCE.—In all these places officers of the Postal Department had been giving the whole of their time to the Savings Bank branch of the business, and when Mr. Gardiner came to the decision I have indicated, one would have thought that in the

interests of economy he would approach the Federal authorities and suggest that these men should be taken over, seeing that otherwise other officers would have to be engaged and further expense incurred. But Mr. Gardiner, who holds up his hands in righteous indignation at Federal extravagance, did not take any action of the kind, but, as I am informed, without approaching the Federal authorities in any way, he appointed a new set of officers, thus leaving the Commonwealth with the officers who had been robbed of their employment. The Federal authorities could not turn the men out on the street simply because they had been the victims of the State Treasurer. He, while joining in the denunciation of Federal expenditure, was in this particular instance guilty of unjustifiable extravagance, which could not be defended on the ground of sound administration. I do not attach much importance to the cry against the leaving of the surplus in the hands of the Federal Government, because I believe that the Federal Parliament has been very economical. There has been, so far as I have seen, no extravagance; at any rate there are many States Parliaments infinitely more extravagant and the cry for economy might very well be directed towards them. There are directions in which it may be absolutely necessary for this Parliament to use some of the surplus revenue. Are we content that the Federation shall be continued on existing lines? If we bind ourselves to the Treasurer's scheme, we shall be prevented from using, in the interests of the Commonwealth, any more of the revenue which we have a right to use. We shall shortly be taking over the administration of the quarantine laws, and this will be a spending department with practically no revenue. Then, again, the administration of the business connected with lights and buoys will result in very little income, and will also prove a spending department.

Senator PLAYFORD.—There are lights dues.

Senator PEARCE.—But not sufficient by any means to meet the expenditure. Then the administration of the conciliation and arbitration laws will mean expense, but not much return. In all these matters we shall be absolutely tied by the fact that we have given away the whole of the surplus revenue, and practically mortgaged it in order to meet the interest charges on the States debts.

Senator DOBSON.—The increase of the population by one person means a revenue of about two guineas through the Customs.

Senator PEARCE.—I do not wish merely to offer destructive criticism, but to place some proposals before honorable senators. In my opinion, the time has arrived when, with the question of the transfer of the States debts, we ought, side by side, to deal with the whole matter of the taxation of the people of Australia. At present there is a double system; there is taxation by the Federal Parliament, through the Customs House only so far, and there is direct and indirect taxation in a variety of forms by the States. While the whole Federal taxation is uniform, there is the greatest diversity in the States, and it is advisable that where there is inter-State free-trade under which the conditions of the competition amongst manufacturers, producers and merchants are as far as possible made equal, there should be uniformity of taxation. If, as in some of the States, there is a democratic Parliament in touch with the people—and that depends greatly on the Constitution—there is an equitable system of taxation. But if, owing to the State Constitution, for which probably the present generation are not responsible, there is a conservative Government and Parliament, the system of taxation is retrogressive, and a clog on industry and land settlement. In New South Wales, for instance, the Constitution is in touch with the people, and there is adequate payment of members, one-man-one-vote, and similar provisions to bring the Parliament within the influence of public opinion, and that public opinion being well educated, it has adopted an up-to-date system of taxation, including imposts on land values and incomes. But in a State like Tasmania, where there is an antiquated Constitution, inadequate payment of members, and a franchise under which by means of plural voting property is given double representation, there is an out-of-date system of taxation—taxation which is inequitable, because it falls on the poor man more heavily than on the wealthy man. The system of land taxation in Tasmania is not the up-to-date system which prevails in New South Wales. All this is owing to the character of the Constitution. I am giving these instances in order to show the great diversity in the methods of taxation adopted in the various States. Not long ago Victoria was faced with a tremendous deficit; and I venture

to say that if the Parliament of that State had been elected on one-man-one-vote, there would have been a tax on land values. There is no doubt that the bulk of public opinion was in favour of such taxation, but because there was in power a conservative Government out of touch with the people, the wages of the civil servants were reduced, even in the case of men receiving 7s. a day, and the Income-tax exemption was lowered in order to include men earning £3 a week and less.

Senator STANFORTH SMITH.—And care was taken to disfranchise the civil servants in order to make them powerless.

Senator PEARCE.—The Federal Parliament, on the other hand, is elected by the whole of the people of Australia on an absolutely equal basis. My purpose is to show that while the object of a Federation is to give uniformity in the conditions of trade, commerce, and settlement, so long as we have various bodies imposing taxation, so long shall we fail to have uniformity of conditions in those three occupations which taxation must affect. I think that the time has arrived when the people and the Parliament of the Commonwealth should consider whether the condition of taking over the debts which have been piled up by the States should not be the establishment of a uniform system of taxation throughout the Commonwealth by this Parliament. I take it that every person, whether he be a protectionist or a free-trader, believes that the concomitant of his fiscal faith is a righteous system of taxation. And yet, not owing to our Constitution, because it does not forbid direct taxation by this Parliament, but owing to the attitude of the leaders of the fiscal parties, we practically say that we will impose only indirect taxation, and leave direct taxation alone, or leave it to the sweet will of the States Parliament.

Senator PLAYFORD.—We leave it to the States, so that they may get a revenue.

Senator PEARCE.—That reason is given by the leaders of both fiscal parties. It is three years since the Commonwealth was established. During that period the finances of several States have been seriously affected, and what has been their experience in endeavouring to balance their ledger? I have already outlined the experience of Victoria. Taking the case of Tasmania, we have an honorable senator, who was unfortunate enough to belong to a Ministry, who I was going to say had the virtue of honesty. They determined to balance

the ledger, and because they attempted to impose direct taxation for that purpose they were promptly thrown out of office by the people.

Senator O'KEEFE.—No, because their minimum was too low.

Senator PEARCE.—That is only a variation of the principle. Practically they were put out of office because they endeavoured to impose direct taxation to meet the deficit. Their successors, following out the same plan, have also met with insuperable difficulties in imposing taxation. In other States we find a diffidence and a lack of ability to meet the financial difficulty in a straightforward manner. From what cause does it arise? It arises, I take it, from this fact, that in every State Parliament the Legislative Council represents merely the possessors of land and property, and will see the State finances go to pieces, the civil service on strike, and any calamity happen, rather than agree to the imposition of direct taxation. So that, practically, this Parliament says that it will leave direct taxation to the States, and the States Parliaments find themselves in an impasse, because to every proposal for that purpose the Legislative Council has doggedly said "no."

Senator GUTHRIE.—Which either does not represent the people, or which only represents a small portion of them.

Senator PEARCE.—The Legislative Council represents only the large land-owners of the community. It stands to reason that the effect of direct taxation would be to make these large land-owners pay a bigger contribution than the ordinary citizen, and, therefore, putting their own self interests before the necessity of the State, they reject any proposal for direct taxation. By our acquiescence in the idea that the Commonwealth should not impose direct taxation, we acquiesce in the idea that there should be no direct taxation.

Senator WALKER.—Only for the Commonwealth.

Senator PEARCE.—The practical effect of our inaction is that we agree to impose no direct taxation for the purpose of either the States or the Commonwealth. Direct taxation by the States is impracticable, because the Legislative Councils refuse their assent to it, and the Federal Parliament will not undertake the task.

Senator WALKER.—In New South Wales we have both a land tax and an income tax.

Senator PEARCE.—Yes, because New South Wales is in the fortunate position of having a nominated Legislative Council,

which, if it refuses to pass any legislation of this kind, can be "swamped."

Senator PLAYFORD.—In South Australia we have an elective Upper House, and we have an income tax and a progressive income tax, a land tax and a progressive land tax, and also an absentee tax.

Senator PEARCE.—What fate did the proposals of the Government of that State to increase the land tax and to put on a fair valuation meet with last year? Both proposals were defeated.

Senator PLAYFORD.—They did increase the land tax, because I had to pay one-fourth more.

Senator GUTHRIE.—Both proposals were defeated.

Senator PEARCE.—The legislation which was proposed by the Government was defeated. If there is one class which has benefited by the expenditure by the States of the £217,000,000 on public works, it has been the land-owners. It has served to increase their land values; it has gone into their pockets. To exempt from taxation the class which has reaped the greatest benefit from that expenditure, would be to commit ourselves to an immoral principle. The Parliament of the Commonwealth ought to distinctly give the people of the States to understand that it is prepared to take over the States debts, but that, in order to meet the interest thereon, it will place the taxation on the shoulders of those who have derived the greatest benefit and acquired the greatest land values from the expenditure of public money.

Senator STEWART.—If we take over the debts we must take over the assets.

Senator PEARCE.—That is another question.

Senator Lt.-Col. GOULD.—Let us take care that we do not destroy the opportunity of the States to raise revenue for their own purposes.

Senator PEARCE.—Although we have destroyed the opportunity of the States to raise revenue by Customs duties, yet we are giving back to the States—counting in the surplus—seven-eighths of our Customs revenue. If we raised more revenue it would in no way hamper the States. We should retain only that portion which would be necessary to meet the interest on the public debt, and the balance would be handed over to the States in exactly the same way as is done now. I wish now to point out what a tax on the unimproved land values of the

Commonwealth would produce according to my calculations which I have based on the figures of Mr. Coghlan. I am sure that his estimate is a long way below the mark, because he makes the land values of Western Australia less than those of Tasmania by the sum of two or three millions. I am perfectly satisfied in my own mind that the position is reversed.

Senator O'KEEFE.—He has to take his figures from the States records.

Senator PEARCE.—Yes.

Senator PLAYFORD.—How did Mr. Coghlan get at the unimproved value of the land in any States except South Australia?

Senator PEARCE.—In South Australia they have a land-tax valuation.

Senator PLAYFORD.—But there is no such valuation in Victoria or New South Wales.

Senator PEARCE.—Yes there is. In Victoria there is a municipal tax, which is based on the unimproved land value. In New South Wales there is a tax on the unimproved land value. In Western Australia there is a tax on the unimproved land value for municipal and road-board purposes, and in Tasmania it is the same. In every State it is possible, I think, to get an approximate estimate of the unimproved land values. A tax of 1½d. in the £ on the unimproved values of the land in the Commonwealth would yield an annual revenue of £2,219,876.

Senator PLAYFORD.—How much would it cost to collect that sum?

Senator PEARCE.—The cost of collection would be about 1½ per cent., or twice the cost of collecting the Customs duties.

Senator MULCAHY.—Would you have it levied on all alike?

Senator PEARCE.—Yes. I can see no justification for exemptions. I would treat this revenue in the same way as the Treasurer treats the Customs revenue. I would make a bookkeeping entry of the amount received from each State, and then, by taking over the States debts up to June, 1903, and receiving from those States which had a deficit in their net railway revenue, we should gain this advantage: that instead of our Treasurer having to enter into an agreement with all the States it would only be necessary for him to enter into an agreement with Queensland and South Australia as to using their railway revenue. To New South Wales, £891,981—which is the amount the land tax would raise there—would be returned less the cost of collection. As the Customs revenue already gives New

South Wales a surplus over the interest on her public debt. She would be able to repeal her land and income taxes, and would also be able to institute a sinking fund for her State debts, or would be able to reduce her railway fares and freights. Victoria also, from her share of the land tax, having a surplus over the interest on her public debt, would be able to repeal her land and income taxes, leaving a balance of £300,000 to square her State finances and to establish a sinking fund. Western Australia having a surplus, the whole £55,080 which would be her share of the land taxation, would be paid to her, and she would be enabled to do without her special Tariff. That Tariff in any case will disappear in two years. The amount that will be raised by it this year is estimated at about £70,000. That disposes of the three States which have a surplus, which we will call the difference between their Customs revenue receipts and the interest chargeable to them on their public debt. As to the States having a deficit, Queensland could come to an agreement with the Federal Government on the lines indicated by the Treasurer, to pool the net railway revenue in the name of trustees. The land tax receipts would, with the net railway revenue, practically square the balance. Queensland would receive from this land tax £254,291; and that, added to her net railway receipts and the Customs revenue, would meet the interest on her State debts. South Australia would only need to hand over £226,000 of her net railway revenue, leaving £173,000 net railway revenue in her own hands, which would enable her to repeal her State land and income taxes. Tasmania would receive a balance of £74,000 without having to touch her net railway revenue. She would also be able to abolish her land and income taxes. Practically the result of that would be that we should have State direct taxation abolished in each of the States, and direct taxation by the Commonwealth substituted. In the case of each of the States, perhaps, there would be on the whole an increase of direct taxation.

Senator GUTHRIE.—Only on land.

Senator PEARCE.—There would be an increase in the total of direct taxation. But there would be this difference—that the increase in New South Wales and Victoria would so affect the finances of those States as to give them a sum in addition to what they would require for their ordinary purposes of State government; and the Go-

vernments of those States would be able to give to the people—to the farmers and producers of all kinds who use the railways—the advantage of reduced railway fares and freights; or they would be able to take advantage of their better financial position to establish with the money handed back a sinking fund to wipe out the liability upon their States' debts.

Senator PLAYFORD.—I thought the honorable senator contemplated the taking over of the States' debts by the Commonwealth?

Senator PEARCE.—But the States would still be liable for them. The bookkeeping operation would still go on, and the States would be liable for the debts until they were redeemed. It would be to their advantage to establish sinking funds so as to wipe out their liability at the earliest possible moment. The difficulty of the problem lies here—that any taxation imposed by the Commonwealth must be uniform throughout the Commonwealth. While the needs of Victoria and New South Wales and Western Australia are not as great as are the needs of the other States, still we are unable to impose differential taxation. If we could impose differential taxation, one penny in the pound would meet the case in Victoria and New South Wales, and the other halfpenny in the pound would be saved to their taxpayers. But owing to the principle laid down in the Constitution, we must impose the same rate of taxation throughout the Commonwealth. But this confers the advantage that by means of the extra money the States are able to liquidate their liability.

Senator MCGREGOR.—And save the necessity of further borrowing.

Senator PEARCE.—Certainly. To my mind the advantage of this scheme over the Treasurer's scheme, is this—that the arrangement which he proposes regarding railway revenue would, under this scheme, only need to be made with Queensland and South Australia. Why should we be required to make an arrangement concerning the railway revenues of all the States just to meet the extraordinary position of two States?

Senator WALKER.—But look to the future in the matter of borrowing.

Senator PEARCE.—Future borrowing will be undertaken by the Commonwealth. The obligation will be met by the Commonwealth, and not by the various States.

Senator WALKER.—The Commonwealth must have increased revenue to meet the interest on further loans.

Senator PEARCE.—The Commonwealth would always have the power to impose additional taxation.

Senator Lt.-Col. GOULD.—But the honorable senator surely would not desire a second edition of the land tax?

Senator PEARCE.—The Commonwealth could raise the amount of the land tax if necessity required; but the figures which I have given show that there would be no necessity to raise the land tax, because we should not need to return to the States the amount of surplus Customs revenue which we are now returning. We are now returning £600,000 per annum. The interest on further loans could be met by retaining that surplus, or as much of it as necessary, handing it back to the States.

Senator O'KEEFE.—But that surplus is a varying quantity every year.

Senator PEARCE.—Still the margin is a very large one.

Senator O'KEEFE.—In a year or two probably there will be no margin. When more Australian goods are consumed within the Commonwealth the Customs revenue will be less.

Senator STEWART.—We want more protection and less Customs revenue.

Senator PEARCE.—We cannot have that under the Treasurer's proposal. That proposal will tie us down. The advantage of this, as compared with the Treasurer's proposal, is that we should only have to interfere with the railway revenues of two of the States, whereas, under the Treasurer's proposal, we should have to interfere with them in six States. Then, we should have uniformity of taxation throughout the Commonwealth. That I maintain, would be a great advantage. It is not fair to a business man in one State that he should have to pay a higher income tax than a business man in a neighbouring State with whom he is competing. It is not fair to the commercial man or to the manufacturer that he should have to pay higher stamp duties or dividend duties than a commercial man or a manufacturer in a neighbouring State with whom he is competing. Nor is it fair that a land-owner in one State should have to pay heavier land taxation than a land-owner in a neighbouring State. By the system which I have outlined we should have uniformity of taxation, which would put our land-owners, our merchants, our manufacturers, and our business men on an absolute equality.

Senator WALKER.—The honorable senator would have no exemptions under his land tax?

Senator PEARCE.—I cannot defend exemptions, because I consider that they are a form of class taxation. I wish to point out, further, that by a peculiar system of reasoning the Commonwealth Government say that the adjustment foreshadowed by the Treasurer will make old-age pensions possible. I should like some member of the Government to tell me how that result is to be brought about, and when? The very scheme foreshadowed by the Treasurer will make old-age pensions impossible for ever, or until the States debts are paid off. What does it contemplate? Does not the Treasurer's scheme contemplate that there would not be enough money available to meet the interest on the States debts, and that he would have to dip into the railway revenues to provide for the deficiency? Where, then, is he going to get the money for old-age pensions? Is he going to come to an arrangement with the States Treasurers to take it from the gross railway receipts? It is misleading to say that the scheme foreshadowed by Sir George Turner is going to make old-age pensions possible. Again, as regards the question of immigration, and assistance to agriculture—what better aid to immigration could we have, and what better assistance to agriculture, than land values taxation?

Senator PLAYFORD.—The taxation of land?

Senator PEARCE.—No; not the taxation of land, but of the value of the land.

Senator PLAYFORD.—I do not see any difference.

Senator PEARCE.—In speaking of the taxation of land, the inference is that we would tax an acre belonging to a farmer just as we would tax an acre belonging to the owner of a Collins-street corner block; whereas, as a matter of fact, the unimproved value of the land of a mallee farmer is practically nothing, and consequently he would pay practically nothing, whilst the owner of a corner block in Collins-street, which brings in an income of hundreds of pounds weekly, would be taxed heavily. In several of the States of the Commonwealth much of the good agricultural land is a monopoly. I am not going to make an example of other States; I will take my own State. In all the best farming districts in Western Australia the principal portions of the best land are out of use. They are held by men who will not use the land, and who will not sell it at

present prices. In many cases the land was a free grant, but they hold it in order to pass it down to their sons and daughters as a valuable heirloom. The consequence is that the farmers who are moving from the eastern States to Western Australia have to go long distances from their markets, and have to take land which, compared with the land I have indicated, is second-class land. We are also causing the Government to go in for an expensive railway system, whereas if we had a land values tax it would cause land to come into use which is within the reach of the present railway system, and the existing railways would be sufficient for many years to come. In every State of the Commonwealth, as well as in Western Australia, one can get on the railways and travel for miles and miles, and for hour after hour, through good agricultural country, which is at present unused, until one reaches an agricultural settlement in some remote place where the farmers have been able to get land. Unlock the lands of this country, and we shall soon solve the immigration question.

Senator PLAYFORD.—The Commonwealth has nothing to do with the land.

Senator PEARCE.—I am showing that we have a great deal to do with the land, because we can compel the present owners, by taxing them, either to use the land themselves, or to sell it or to lease it. What is causing immigration to Canada? Is it because they have no Immigration Restriction Act? Nothing of the sort. What has caused the great flow of immigration to the United States? Simply the fact that they have thrown open vast areas of good agricultural land to the farmer. In Australia we have only a fringe of good agricultural land round the coast, but the eyes of it were picked out in the early days, and much of this land is being locked up to the detriment of the whole country. That is the reason why immigration flags. What was the reason of the immigration of Victorian farmers to South Africa after the war? The reason was that it was expected that lands which had not been used were to be thrown open, and that these farmers would have a chance of buying some of them. Yet the present Government proposes in some indefinite way to assist immigration, whilst the farmers of Victoria, which is the best farming State in the Commonwealth, are leaving its shores to look for land on the other side of the world. Is it not a fact that the best land in Vic-

toria is being held out of use by the land monopolists of this State? We see that the State Parliament will not, or cannot, deal with this question.

Senator STEWART.—They could if they chose.

Senator PEARCE.—They cannot, because they are met every time by a Legislative Council that blocks all their efforts.

Senator O'KEEFE.—They can never deal with it until they alter their Constitution.

Senator PEARCE.—They can never deal with it until they get a Legislative Council that will be amenable to public opinion.

Senator GUTHRIE.—They need to "Seddonize" their Legislative Council.

Senator PEARCE.—That is a very good term to describe what is needed. I consider that one of the greatest assets which Australia possesses is her agricultural land, and the agricultural industry is one of her greatest industries. The greatest stimulus which could be given to the agricultural industry in Australia would be the unlocking of unused lands by means of direct land taxation. Now is an opportune time for the Government to endeavour to grapple with the question, and it should be considered side by side with the question of the transfer of the States debts. If we once commit ourselves to the principle that we should leave direct taxation to the States Parliaments, the best chance which the Commonwealth Parliament can have of dealing with this question will have gone for ever. I am satisfied from the experience of the past three years, and from what I know of what has been happening, that the States Parliaments of Australia will never grapple with this question. It will be left to the Federal Parliament, and after all is it not a national question?

Senator PLAYFORD.—We have dealt with it in South Australia.

Senator PEARCE.—Yes, in a half-hearted sort of manner, by a land tax, which does not unlock the lands. I venture to say that South Australia suffers as much from land monopoly as any other State in the Commonwealth.

Senator PLAYFORD.—No, it does not.

Senator PEARCE.—I am satisfied that, if the lands of the Adelaide Plains were put to their full use to-day, the whole of the present population of South Australia could be settled there. Any one going through from Adelaide to Port Adelaide must get an object lesson of what can be done by close settlement. He will find

men holding fifteen acres, growing crops of lucerne throughout the year by means of irrigation, and engaged in dairying by the same means. I am told that these men are making a good living. If honorable senators go a few miles out of Adelaide, they will find similar land, under the ordinary native grasses, with a few cattle existing upon it, whilst a mile from that land men are crowding cattle on to similar land, and making a good living by dairy farming. This is done by means of irrigation, and the reservoir is found in the ranges which rise to the north of the city.

Senator PLAYFORD.—A very pretty picture, by a man who knows nothing about it.

Senator PEARCE.—Senator Playford says I know nothing about it, but I may mention for the benefit of the honorable senator that I was born in the State of South Australia, and lived there for the greater part of my life; and if, today, I have an interest in any industry, it is in the agricultural industry.

Senator PLAYFORD.—The honorable senator cannot give me a single instance of a man getting a comfortable living on fifteen acres near Adelaide.

Senator GUTHRIE.—There are any number of them.

Senator PEARCE.—Senator Playford, when he goes about between Adelaide and Port Adelaide, must be too much engrossed in his papers to know what the people are doing on the land. If the Government desire to settle the immigration question, this is the way in which they may settle it. Do we require artisans here? Is it not a fact that every avenue open to the artisan is more than fully supplied already? For every vacancy in the number of artisans employed there are half-a-dozen applicants. Do the Government desire to add to the army of unemployed artisans already in the Commonwealth? Do we require more skilled labourers or more miners? We know very well, and members of the Government know very well, that all these avenues of employment are fully supplied. What we require is the farmer, the man who will take up the land, and I contend that it is useless and cruel to bring men to this Commonwealth under false pretences, and tell them to settle on the lands of the Commonwealth, when we know that those lands are locked up.

Senator PLAYFORD.—Does the honorable senator mean to say that there is no land in

Western Australia which could be thrown open to selection.

Senator PEARCE.—I have already told Senator Playford that we have plenty of land in Western Australia which could be thrown open for selection, but in order to get to it the selectors would have to go great distances from their market, and would have to make long journeys to the railways with their produce. I say, also, that we have any quantity of land, on railway lines, and close to markets, which is held out of use by private landholders.

Senator BEST.—Has not the Western Australian Parliament provided for compulsory resumption of land?

Senator PEARCE.—We have in Western Australia an Act which enables the Government to resume land, but the resumption is not compulsory, and so far the Act has had very little effect. The owner of the land makes an offer, the Government consider the offer, and if they desire to resume the land they may do so, with the owner's consent. Honorable senators will know what that means. I contend that we can best assist the agricultural industry by bringing about such a system of closer settlement as they have in New Zealand. We all know that what makes farming unattractive to young people in Australia is the fact that the farms are miles away from each other. Farm life has no attractions for the young men and young women who are growing up, and they crowd into the cities. What is the solution of the problem? Is it not to be solved by a system of closer settlement which will give some kind of social life to those settled on the land as has been done in New Zealand by land taxation, and by their system of compulsory resumption for purposes of closer settlement?

Senator GUTHRIE.—The *Age* says there are no unemployed there.

Senator PEARCE.—They have no unemployed there. We have the statement made in yesterday's newspapers that Mr. Seddon has made arrangements for the introduction of over 100 farmers during the coming month, or year, I forget which. He says there will be no difficulty whatever in allocating farms to them and settling them. It stands to reason that all this is due to the policy adopted in New Zealand, because when Sir Julius Vogel left office the unemployed difficulty in New Zealand was as bad as in any of the States of the Commonwealth. They had soup kitchens established in all the principal towns.

Senator DE LARGIE.—That was before they got compulsory arbitration.

Senator PEARCE.—That was before they got compulsory arbitration, and notwithstanding all the capital which that legislative measure has driven out of New Zealand they are now in that colony able to get along without an unemployed difficulty, and without strikes. I say that it is time those in authority in the Commonwealth rubbed the scales from their eyes and took a few lessons from New Zealand. Be sure, if they do, the immigration question will soon solve itself, and the question of assistance to agriculture will also solve itself. There is one paragraph in the Governor-General's speech to which I take strong exception, and that is the paragraph addressed to the honorable members of the House of Representatives. The attention of honorable members in another place is drawn to the fact that the Tariff is having its due effect not only in bringing in revenue, but in establishing industries, and, dealing with the finances of the Commonwealth the opinion is expressed that they will be exercised with due economy, and will be safeguarded "under your control." Under the control of the House of Representatives. I say that that is a direct contradiction, in the Governor-General's speech, of the Federal Constitution of Australia, which gives to this Senate dual powers with the other House upon all financial questions, with the saving clause that we have not the right of initiation of financial Bills.

Senator PLAYFORD.—That is the saving clause which makes the difference.

Senator PEARCE.—That is a saving clause, but will the Vice-President of the Executive Council contend that it gives the Governor-General, speaking for the Ministry, the power to say that it is the other House that has control of the finances of the Commonwealth? Will the Government, when the next Appropriation Bill is introduced, be content to have that Bill passed by the other House only? Do they not propose to bring it before the Senate? Do they not intend to ask the Senate to deal with it? If they do, I ask what is the meaning of that paragraph in the Governor-General's speech?

Senator STEWART.—This is only copying from the old British Constitution.

Senator PEARCE.—It is time that the Government ceased to copy from the old British Constitution, and woke up to the fact that we are living under a different Constitution. However, I do not think that

this is merely a copy. I think that there is a certain amount of intention in it, for the reason that the last address made to the Senate by a Governor-General of the Commonwealth contained no such reference. The last address from the Governor-General to the Senate, following upon a protest made in this Chamber, showed that the Government recognized the dual control of the finances, and thanked both Houses for the liberal supplies granted.

Senator PLAYFORD.—How could the Governor-General thank both Houses for liberal supplies in an address at the opening of Parliament? That is done in closing Parliament.

Senator PEARCE.—The principle is the same. In one speech both Houses are thanked for the supplies granted, and in this speech the Governor-General should have expressed his appreciation of the control which would be exercised over the finances of the Commonwealth by both Houses of the Federal Parliament.

Senator PLAYFORD.—In closing Parliament the Governor-General may thank both Houses for the supplies granted, but in opening Parliament he cannot thank Parliament for supplies that have not been granted.

Senator PEARCE.—I say that the Governor-General might in this speech have expressed his appreciation of the way in which the finances of the Commonwealth would be controlled by both Houses of the Federal Parliament. Do not both Houses of the Federal Parliament control the finances?

Senator PLAYFORD.—Undoubtedly.

Senator PEARCE.—If so, why this reference to the House of Representatives only?

Senator PLAYFORD.—Have not members of the Government always supported the rights of the Senate?

Senator PEARCE.—Certainly they have, and that is a further reason why any departure from that course should be marked with our displeasure now.

Senator PLAYFORD.—I can assure the honorable senator that, if there has been any departure, it has occurred through inadvertence.

Senator PEARCE.—I should like the Vice-President of the Executive Council to consult his colleagues, and learn whether this has been done inadvertently. If it has not, we should know the reason prompting the Government in making the departure which is certainly made in the Governor-

General's speech. I desire to emphasize what Senator de Largie has said with respect to the administration of the Immigration Restriction Act in Western Australia. The honorable senator has ably dealt with the introduction of coloured aliens under the Act, but there has also been a considerable immigration of labour under contract. We are satisfied that in Western Australia the Act is practically a dead letter. Large numbers of Italians are coming into that State, and going direct from Fremantle to the gold-fields, principally to the Murchison mines, and to all intents and purposes, they have been introduced under contract.

Senator STANFORTH SMITH.—Many of them cannot speak a word of English, and yet they go straight to employment.

Senator PEARCE.—They cannot speak a word of English, and yet they walk off the steamers on to the trains, go direct to the mines, and go down below to displace British miners. This has been taking place for some time in Western Australia. There was a time when the Commonwealth Government, as a result of representations made, took some action in the matter, but recently the evil has been increasing in force. These people are arriving daily in Western Australia, and scores of British miners are being displaced to make room for Italians who cannot speak a word of English, and who come from Italy under contract to work in these mines.

Senator STEWART.—At lower wages?

Senator PEARCE.—We cannot find out what wages they get. We have no means of finding that out, but I am satisfied that the mine owners would not employ Italians in preference to British miners at the same wages. We shall not have a proper administration of the Act until some change is made in the present method of administering it. Mr. Atlee Hunt, secretary to the Department for External Affairs, has charge of the administration of the Act, but it has to be carried out by Customs officials, and they are responsible, not to Mr. Atlee Hunt, but to Sir William Lyne and his Department. If one brings any matters connected with the operation of the Act before the Department for External Affairs, he is referred to the Customs Department, and then when the Customs Department is appealed to, he is told that they have nothing to do with the matter, which is in charge of the Department for External Affairs. If we go to the Department for External Affairs, we are told—"The officers are in the employ of the Customs Department;

what can we do?" The position, to me, is most anomalous. Either Mr. Atlee Hunt and the Department should be placed under the control of the Minister for Trade and Customs, or else special officers should be appointed, because, so long as we have divided control we cannot have satisfactory administration. I am glad to see the reference in the speech to the proposed railway to Western Australia, and I feel sure that the Senate will recognise the justice of the claim for a survey. To condemn the railway without inquiry would be to show bias and prejudice. As a Western Australian representative, I fully admit that we have no right to expect honorable senators to pledge themselves until they are in possession of facts to justify the construction of the line.

Senator GUTHRIE.—But should we not wait until the South Australian Parliament has passed an Enabling Bill?

Senator PEARCE.—I am informed that it is not necessary for South Australia to give consent to a survey being made.

Senator STANFORTH SMITH.—The only reason for the South Australian Parliament not giving its consent to the railway is that the survey has not been made.

Senator GUTHRIE.—That is not so.

Senator PEARCE.—But the Premier of South Australia has said that one of the reasons why he does not ask the Parliament to give its assent is that he is in possession of no data.

Senator PLAYFORD.—He says he wants more information.

Senator PEARCE.—The reply of the Premier of South Australia must refer, if to anything, to the survey. I wish to give honorable senators some idea of what this railway means, not merely to Western Australia, but to the rest of the Commonwealth. We have a great object lesson in the present war between Japan and Russia. What is the secret of Russia's strength?

Senator GUTHRIE.—Russia is beaten.

Senator PEARCE.—Russia is beaten on the sea; but what is the secret of her strength on the land but the possession of the trans-Siberian railway. But for that railway Japan would be able to beat Russia not only on the sea, but also on the land; and it is the possession of that means of communication which makes us all certain that sooner or later Russia will assert her tremendous strength. Without that railway she would be as weak on land as she is at present on the sea.

Senator DE LARGIE.—That is a railway seven times longer than the one we propose.

Senator PEARCE.—And it affords a wonderful object lesson of the efficacy of such a railway for defence purposes. Western Australia has as much right to adequate defence from the Commonwealth as has any other State; but how would it be possible for the Commonwealth in any way to assist in the defence of our western shores without such a railway? The trans-Siberian railway was built by Russia at a cost of £90,000,000 purely for aggressive and defence purposes. We ask for a railway to cost not £90,000,000, but at the outside, £4,500,000.

Senator GUTHRIE.—Or £6,000,000?

Senator PEARCE.—If the honorable senator puts his opinion before that of the Chief Engineers of all the Australian railway systems, including the Chief Engineer of his own State, I shall be prepared to bow to his superior knowledge. But Mr. Moncrieff, the Chief Engineer for South Australia, who draws a salary of, I believe, £1,500 per annum, and presumably should know something of railway construction, has estimated the cost at £4,500,000. At the present moment the Commonwealth Government are asking for £20,000 for the purposes of a survey, and that survey, I am satisfied, would strengthen the engineering reports which have already been presented, and show that this is not a railway to be built through a desert. Those who have been through the country say that a considerable portion of it is equal to the best pastoral areas in Australia; and I am prepared to take the word of those competent surveyors rather than that of those who speak with political prejudice and have never been within hundreds of miles of the proposed route.

Senator STANFORTH SMITH.—The Canadian Government are building a second trans-continental line, though the population of the Dominion is not much larger than that of Australia.

Senator PEARCE.—The Canadian Government are building a line parallel with the existing line, and have practically spent over £30,000,000 in money and land in providing these means of communication. When I read the Governor-General's speech, I wondered what could be the object of the Government in making the reference to preferential trade. It commits the Government and Parliament to nothing, and the only con-

clusion I could come to was that the reference was made with a purpose. We know that Mr. Chamberlain is talking to the British people in this strain:—"Your colonial brethren want to enter into preferential trade with you, and by that means cement the Empire; will you listen to their appeal and reciprocate with the Australian and Canadian people?" The only explanation that I can give of this paragraph in the speech is that the Government want to give Mr. Chamberlain some justification for statements of the kind, and to make it appear that the people of Australia are prepared to enter into preferential trade and reciprocal arrangements with Great Britain.

Senator PLAYFORD.—The Australian delegates said so at the Ottawa Conference in 1894.

Senator PEARCE.—Were the delegates sent to the Conference with that purpose?

Senator PLAYFORD.—Partly.

Senator PEARCE.—They were sent to deal with the cable business, and assumed a responsibility which they ought not to have assumed. Is this House going to indorse the proposal, and quietly allow the Government to send word to the old country that this Parliament has indorsed the sentiment of preferential trade?

Senator PLAYFORD.—The Government do not say so.

Senator PEARCE.—The Government certainly do say so. If the Address in Reply be carried, I contend that this House is committed to an opinion on preferential trade, and I guarantee we shall hear by cable that Mr. Chamberlain has used the expression in His Excellency's speech as proving that the people of Australia has recently elected a Parliament in favour of the particular brand of preferential trade he is advocating. When we find the allusion coupled with a reference to the invitation to Mr. Chamberlain to visit Australia, we have conclusive proof as to the intentions of the Government. Senator Trenwith spoke of Mr. Chamberlain's campaign as an intellectual campaign. I am not going to deal with the merits of preferential trade, but when I heard Senator Trenwith's statement, accompanied as it was by remarkable figures—and antiquated figures they were which he trotted out in order to bolster up his proposition that this is an intellectual campaign—I thought it would be to the point to quote the opinion on preferential trade entertained by Mr. John Burns, one of the leading members of the House of Commons, and the leading Labour member.

Senator DE LARGIE.—Not the leading Labour member.

Senator PEARCE.—Mr. Burns enjoys the trust and respect of the workers in Great Britain, and may be relied on by this Parliament to speak as the representative of those workers, at any rate to a greater extent than can Senator Trenwith. In the *Independent Review* of November, 1903, Mr. Burns has an article, in which he says—

On the 4th September, 1903, the Trades Union Congress of England unanimously repudiated his (Mr. Chamberlain's) views. All the Labour members had similarly expressed themselves. Co-operators and trade unionists, represented by 3,215 delegates, and a membership of 1,622,666, with not more than a dozen dissentients, condemned his views. The Railway and Miners' Trades Unions, representing 1,000,000 workmen, have similarly condemned his protectionist fallacies.

Senator DE LARGIE.—The miners of Lanarkshire, in Scotland, have approved of the proposal.

Senator PEARCE.—I am quoting this article to show why I, for one, object to be used as a lever to alter public opinion in the United Kingdom. I object to allow my position here to be used as a lever to induce the workers of Great Britain, whom Mr. Burns represents, to believe that I and the workers whom I represent approve of preferential trade from Mr. Chamberlain's stand-point.

Senator PLAYFORD.—The workers are believers in preferential trade because it is to their own self-interests.

Senator PEARCE.—Listen to what Mr. Burns says—

Situated as I am, a workman elected by workmen, keenly alive to their special interests, sharing their hopes, conscious of their thoughts, I am entitled to take my part in a controversy the alleged object of which is for their immediate gain and permanent benefit. As such I have traversed the arguments, dissected the misleading statistics advanced by protectionists, fair-traders, and retaliators for the cure of all the ills that industrial flesh is heir to.

Here is his judgment—

As a Labour member I unhesitatingly say that the suggested remedies are worse than the imaginary disease, even where this is not exaggerated. What is more, I believe that view will be the electoral judgment of the masses when, shorn of all subterfuge, the reversion of protection is submitted to them as an alternative to our present policy of free-trade.

Mr. Burns goes on to say —

Ideally free-trade is the most human, natural, and convenient method of trade that the mind of man has conceived and international necessity warranted. It is best for Britain, easiest for the colonies, and better suited for their foreign trade in its international and inter-colonial aspects. It enables the mother country

to be politically as well as commercially independent of her colonies—

that is a very good point which should be borne in mind by colonial statesmen—

—and is the only trading system by which the colonies can retain that autonomous control and working out of their own destiny so necessary for new experimental and ever-changing colonial conditions.

I commend that statement to my friend, Senator Stewart. What I have read is a weighty utterance from one who has earned his spurs, both in the industrial world, as champion of the workers, and in the political world; and I am sure that even those who have made somewhat hostile interjections recognise that as fully as any other person. My reason for reading the extract is to show that this man, who has practically devoted his life to the cause of the workers, does not look on Mr. Chamberlain's proposal as an advantage, but rather as a disadvantage to them. We ought to strongly object to the Government endeavouring in this insidious way to get from this Parliament an expression of opinion which can be used in the present campaign in Great Britain. Let the Government come forward in this and the other House with a definite proposal in favour of the principles of preferential trade, indicating the lines on which the preference should go, and if they can get assent to their proposal they will have the right to make the fullest use of it, as will Mr. Chamberlain and those who think with him in the United Kingdom. I would point out to honorable senators that in the other House there are many who would like to see this paragraph struck out of His Excellency's speech, but they do not move in that direction because other contingencies would arise. It would involve the fate of the Government, and it might transfer to the Treasury benches men who would not suit them as well as the present Ministers. Therefore, we cannot get a decision on the question on its merits while it is treated as it is in this opening speech. It is for the Government to climb down from their tree and fight the question straight on its merits, and let the House decide, after argument, whether it is in favour of Mr. Chamberlain's idea of preferential trade, even from the Australian point of view. I am pleased with the action of the Government in connexion with the introduction of Chinese into South Africa. I am glad that they joined with the Premier of New Zealand in entering an emphatic protest from Australasia against this

prostitution of the fruits of the late war. It is a base misuse of the territories which were gained as the result of the expenditure of so much money and so much blood.

Senator MCGREGOR.—It is free-trade.

Senator PEARCE.—It has nothing to do with free-trade. I would remind the Government that when they sent their message they stood in very great danger of getting a rap over the knuckles. They were condemning, in South Africa, a system which they have allowed to be carried on in Australia. In both Queensland and Western Australia, imported coloured labour, brought in under regulation, is employed in the pearling industry with the assent of the Government.

Senator DRAKE.—That is a legacy which we took over.

Senator PEARCE.—That is a legacy from the States Governments indorsed by the Federal Government. The Government had parliamentary authority to stop any more coloured labour being introduced, but they have continued to allow coloured labour to come in under contract for the pearling fleets, notwithstanding that this Parliament has never yet been asked to assent to that course, and it is in contradiction of the terms of an Act of Parliament. Had the Government of the Transvaal known the state of our pearling fleets they would have had good ground for saying to the Government of Australia, "Take the mote out of your own eye before you trouble yourselves about the beam in ours." I would suggest to the Government that they should apply this principle to the pearling industry.

Senator PLAYFORD.—Does the honorable senator want to destroy the pearling industries?

Senator PEARCE.—That argument was used in relation to the mining industry. We were told that unless the mine-owners could have Chinese the mining industry would be destroyed? We were told that unless the sugar planters could have kanakas the sugar industry would be destroyed. These statements were not true. The pearling industry could be conducted by white labour, but it will not while the present system is allowed to prevail. I can only reciprocate the opinion which has been expressed by honorable senators that in this session we may pass some useful legislation. I trust that by the end of the session the Navigation Bill and the Arbitration Bill will be placed on the Statute Book, and that some step will be taken towards making provision for old-pensions. I thank honorable senators

for the courtesy with which they have listened to me.

Senator DOBSON (Tasmania).—I have listened with very great pleasure to the very thoughtful and able speech of Senator Pearce, who always gives us something new to think about. From his opening remarks he seemed to think that honorable senators like myself, who occasionally find themselves in opposition to the Labour Party, had entered into a conspiracy of silence, and he rather hinted that we ought to give some evidence for the faith which is in us. I do not propose to state the reasons why I opposed the Labour Party at the elections. I opposed them in order to get my own seat, and as I conscientiously and honestly detest some planks in their platform, I pitched into them as hard as I could, and I shall continue to pitch into them as hard as I can unless they change their methods. During last session, I was twitted again and again with always pitching into my friends in the Labour corner. I am not aware that I ever did pitch into them, but I think I am right in criticising such planks of their platform as are contrary to the teachings of history, and opposed to the common sense which most men possess. I am on very good terms, I hope, with the Labour Party. Lord Tennyson said that, although he loved Mr. Gladstone, he hated his Irish policy. I love my friends in the Labour corner, but I hate some planks in their platform. I should be wanting in my duty to the State, which sent me here, unless I met their arguments with counter arguments, and unless I stated clearly the reasons why I think that they are wrong, and are bringing disaster on the Commonwealth. In the first place, I desire to express my disappointment that, although the Ministers have introduced so many questions into the opening speech, we are not yet in possession of any Bills to which we can devote our time.

Senator GUTHRIE.—We have one Bill.

Senator DOBSON.—We have a little Bill, but I should prefer to have, as I think we should, the Navigation Bill which has practically been before the Cabinet for twelve months, and as to which I understood that they had settled their policy. I certainly hoped to see the Bill in print when I came here. I hoped that it would be introduced here on the same day that the Arbitration Bill was introduced in another place.

I do not for one moment blame the officers whose duty it is to draft these measures, because I believe that they are most industrious and intelligent men. All I can conceive is that their instructions have been received too late, or that they have been taken away from their proper work, or that the Ministers have not yet made up their minds as to what their policy is to be in this very contentious measure.

Senator PLAYFORD.—It was settled some weeks back.

Senator DOBSON.—If it was settled some weeks back, where is the print of the Bill?

Senator PLAYFORD.—Ask the Attorney-General.

Senator DOBSON.—I hope that it will be placed in our hands during the next few days. On the day I came here, I heard some talk of an adjournment for two or three weeks, because there was no business for us to go on with, no Bill for us to peruse and think about. It is a very extraordinary thing that we are so hard up for party politics that the attention of the Federation is to be centred, not round the Conciliation and Arbitration Bill, but round a provision which is not in the Bill now, but which is going to be moved by the Labour Party. It is an extraordinary thing that a little clause by which our labour friends desire to bring the railway servants, or all State servants, under the provisions of the Bill, should raise the issue which is to make or unmake the Government. I find it necessary to say a few words about this measure. I obtained some knowledge of Senator Trenwith's argumentative powers as I travelled with him to the Adelaide Convention. Evidently feeling that he had a bad case, he tried to bolster it up as he went along by argument after argument to which he appeared to think there would be no reply; and he went so far as to say that no honorable senator, if he desired to be patriotic, could do otherwise than support this very remarkable Bill. I am sure that my honorable friend, if he were here, would give me credit for the same kind of patriotism as he possesses. Of course, it was a little slip on his part; but it only goes to show how my friends in the Labour Party, and those who are on the fringe of that party but are not quite bound down by its caucus methods, will use the argument of exaggeration in order to try and bolster up a bad cause. Of all the thirty-nine subjects of legislation which are

committed to this Parliament by the Constitution, I should have thought that the last one we ought to touch was this question of compulsory arbitration. I do not think that any honorable senator can tell us what was in the mind of the Convention when it placed this legislative power in the Constitution. We all know that the words of the sub-section were inserted after very heated debates. We all know that in the first instance the Convention declined to insert the words, and that afterwards they found their way into the Constitution. But did any member of that body ever intend that those words should be interpreted as implying that we should have a compulsory Arbitration Bill for the whole Commonwealth, and that all the servants of the States should be brought under its provisions? I undertake to say that not a member of the Convention, not excepting any of the Labour members who were there, ever dreamt of such a thing. But, because the Labour Party have been growing stronger and stronger, and because they, have, as they say, been sweeping the polls, they find themselves strong enough to bring about this unfortunate legislation, and, therefore, they intend to try to place their views on the statute-book.

Senator GUTHRIE.—Because the people want it.

Senator DOBSON.—My honorable friend talks about the people. Once or twice in this debate I have heard the statement from them that "we" are the representatives of the people. But, considering that only about one-half of the people voted, and that a considerable proportion of that half did not vote for the Labour Party, and abhor their methods just as cordially as I do, I hope that we shall hear no more about their coming here and representing the people. The Labour Party do not represent the people. That is one of the gross exaggerations in which they so frequently indulge. I understand that the clause which created the only crisis of last session is going to be proposed again in the Arbitration Bill. If the Government win, so much the better—we shall get rid of the obnoxious clause. But if they lose, I certainly hope that they will drop the Bill into the waste-paper basket, and let it stop there.

Senator GUTHRIE.—They will be dropped, too.

Senator DOBSON.—I expected to hear an interjection of that sort, and I am very

glad that it has been made, because if my friends in the Labour Party are now warning or threatening the Government—

Senator DAWSON.—The honorable and learned senator is.

Senator DOBSON.—I do not desire to do either the one thing or the other, but I desire to prophesy that the Government will lose caste throughout the Commonwealth with right-minded men who know what constitutional government is, and have not turned themselves from a party into a faction, if they do not resist the insertion of this provision. I cannot conceive of any level-headed men who have not lost their mental balance contending that a Federation whose very basis was that certain specified subjects were to be committed to the Federal Parliament, and that the sovereign power over all other subjects was to remain with the States, that had a right to set up a tribunal of this kind, and to say that it is to dictate to the States the wages which they are to pay and the hours which their servants are to work, and to go into all the *minutia* of the conducting of their enormous railway services, when we have no risk and no responsibility in the matter.

Senator DAWSON.—We do not propose to do that.

Senator DOBSON.—I believe that if this clause is inserted in the Arbitration Bill it will be absolutely *ultra vires*, and will be so declared by the High Court. But, supposing that it is a constitutional thing, I cannot conceive of anything which would more certainly bring the Constitution into chaos. If it is constitutional, I have no hesitation in saying that it is a breach of the understanding with the States which we have no right to commit. The States ought to be able to look up to this Parliament as the guardian of their rights, and as a body desirous in every way of increasing their prosperity in all matters in which Australia generally is concerned. But, if we say to each of the individual States, where the conditions are not the same, and where the cost of running the railways is different, "You shall pay your engine-drivers, not 13s. a day, but 14s., and your porters and shed hands shall not work eight or nine hours a day, but seven and a half hours"—do honorable senators mean to contend that we can carry on the Federation on lines of that sort? We have no business to dictate to the States in anything concerning their money payments when we have no responsibility and no control. Therefore, it is absolutely wrong to think of getting the con-

trol of such affairs by setting up an Arbitration Court. I shall be very pleased, indeed, to hear the Attorney-General and the Vice-President of the Executive Council, with his very practical mind and long experience, show how they can justify a position of that kind. But I believe that the Government will not attempt to justify it. If such a clause is put in, the Bill will be dropped into the waste-paper basket. I am not in favour of compulsory arbitration generally, and for very good and sound reasons. It is supposed to have the effect of putting a stop to strikes, and of bringing about industrial peace, but, in the long run, I believe it will do exactly the contrary. We have symptoms of this in some of the States, and direct evidence of it in others. For instance, in New Zealand strikes have not been checked, but disputes have absolutely been caused that would not have occurred except for the Arbitration Court. We have evidence that there have been 400 odd cases within the last seven years. In South Australia there have been only about seven strikes in seven years. Therefore, there is proof positive that giving these facilities to fight, and to bring employers to Court, produces a state of unrest and dissatisfaction which cannot conduce to the prosperity of industry.

Senator GUTHRIE.—What is the authority for saying that there were only seven disputes in South Australia in seven years?

Senator DOBSON.—I have read it in newspapers; I have quoted it previously; and I have heard it quoted by others.

Senator GUTHRIE.—Probably the honorable senator read it in *Tit-Bits*!

Senator DOBSON.—No, but we have evidence from the Labour Party of the fact that they will deny anything that does not suit them. If one said that the sun was shining, and it suited them to deny it they would do so. We have evidence in three States—Western Australia, New South Wales, and New Zealand—of the awards of the Courts being repudiated, and not carried out.

Senator O'KEEFE.—How many cases?

Senator DOBSON.—The men are all on their good behaviour now, but in each of those three States there has been direct repudiation of the awards of the very Judges who were deputed to try the cases. I have said over and over again that wherever the workers do not like an award, and it pays them to disobey it, they will think no more of violating it than of lighting their pipes. It is only human nature. I should probably

do exactly the same if I were a worker; and if there were an award affecting lawyers, probably if I did not like it, I should wriggle out of it in some way.

Senator O'KEEFE.—What warrant has the honorable and learned senator for saying that about the workers? Can he quote a case?

Senator DOBSON.—There have been cases in each of the three States mentioned, where the workers have disobeyed the awards of the Courts.

Senator O'KEEFE.—They have gone back to work; and if the honorable and learned senator was fair, he would admit that.

Senator DOBSON.—If honorable senators think that the industrial life of the Commonwealth can be carried on in that way, I do not. I think it is quite likely that, in a few years time, the whole of this arbitration business will tumble about our ears like a pack of cards. We shall find that the Court cannot settle these disputes, but that industrial peace can only be promoted by really improving the relationship between labour and capital, employer and employed. My honorable friends will find that the methods adopted in England and America, and that have been so successful, are the best. The principle of them is that it is in the interests of capital and labour to work together—that their interests are one and identical, and that the more they are driven asunder, and the more they regard each other as enemies, the more disasters follow. I have not heard a single word from the labour corner about the methods which are being adopted day after day in other countries. I take up books and articles, and read of the success that has attended them in the industrial life of countries where it is recognised that labour and capital must go hand in hand down the avenues of progress, and that there can be no real prosperity unless the relationship between the two is improved, and they are brought into closer unity. The man who tries to make capitalists and workers rival litigants is not pursuing the best means of improving their relationship, and if he thinks he is I beg respectfully, but most emphatically, to differ. Senator Trenwith seemed to think that the fact that the working men of the United Kingdom have decided by a majority of three to one to oppose compulsory arbitration, was against him. I should think it was. But in order to wriggle out of that position,

Senator Trenwith went on to say that that majority was decreasing week by week. He contended that one explanation of the opposition to it was that the working men of Great Britain had no confidence in the Courts of that country, whereas we know that the working men of this country have confidence in their courts. I am glad to know that that is so. We may all have confidence in our courts. But I certainly have no confidence in any one man, a lawyer, being given the whole control over the industrial life of the Commonwealth. Fancy asking a Judge to determine which of two men could shave a man the better! Things of that sort, I understand, have been going on. It is not a question of confidence in our Judge; it is a question of principle. I have no confidence in submitting a question of this kind of an arbitration court. Take the Penrhyn colliery dispute in Great Britain. Lord Penrhyn said that, as he was employing unionists and non-unionists, he would have in the committee which he allowed to be appointed to confer with his managers on the conduct of the quarries where the interest of the men were concerned, representatives of both unionists and non-unionists. But the miners said "No; you shall do nothing of the sort; we regard the non-unionists as scabs and blacklegs; and we will not associate on the committee with non-unionists." Lord Penrhyn said—"I will see you further before I will agree to what you propose," and there was a strike. Are we going to refer to the Arbitration Court a question such as how a man is to conduct his business? Are we going to compel an owner, through the instrumentality of a High Court Judge, to say that any committee of workmen which may be appointed to confer with his managers shall be chosen from unionists only? To show how little is thought of the Labour organizations, I note that in New Zealand not a third of the men belong to trades unions. I have also read that most of the 6,000 miners at Broken Hill do not belong to the unions. Our friends in the Labour Party want to have an Arbitration Court, in which the Judge will be coaxed into saying that all the workers shall belong to trades unions; and that is a kind of slavery in which I, for one, have no belief. I do not wish to labour this subject, but I should like to say a word with regard to the speech delivered by the Prime Minister some time ago, in which he spoke of the necessity of going back to party Government, and urged that

we could not carry on the affairs of the Commonwealth if there were three parties in the Commonwealth. My honorable friend's speech made a sensation at the time, but I am inclined to think that there is nothing in his contention, because we have really only two parties in the Commonwealth. It seems to me that the Prime Minister and Mr. Watson thoroughly understand each other, and considering that the Labour Party have got from the present Government about as democratic and as radical legislation as they can ever hope to get from any Australian Government, I think that the Labour Party will be very ill-advised if they quarrel with the Ministry. Therefore, it appears to me that if the Arbitration Bill goes into the waste-paper basket it will stop there. I sincerely hope that the Labour Party will carry the clause which they intend to propose, putting the States civil servants under the Bill. Then the measure will certainly get into the waste-paper basket. I should like to give one or two reasons why I think that the third party is merged in the Government Party. My honorable friend, Senator de Largie, was exceedingly frank. He told us in his speech that the Labour Party of Western Australia had captured seven seats, and that they might have captured the eighth if they had liked; but, as a matter of courtesy or favour, they allowed our good old friend Sir John Forrest, the Minister for Home Affairs, to have a walk over. But Senator de Largie, in his frankness, for which I am grateful to him, went on to say that next time the whole eight seats would be swept by the Labour Party, and that Sir John would have to go about his business if he did not behave himself. It is as plain to me as that two and two make four, that because the Labour Party and the Government Party are one, Sir John Forrest was allowed to have a walk-over. It would never have done to knock him out, and then to have to shake hands with the Prime Minister. Therefore he was allowed to have the seat. But now we find that good natured little threats are being made, that if Sir John does not keep on his good behaviour he will not only not have a walk-over, but will receive his dismissal at the next election. Senator de Largie seemed to gloat over the idea that the Labour Party had captured all the other seats, and that at the next election they would capture Sir John Forrest's. This brings another thought to my mind. Our friends have been very determined about

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the principle of one man one vote. They contended that every man ought to have a vote, and no man more than one vote. Now they have their own way, and they are asking for the whole of the representation. No other class in the community in Western Australia is to have any representation whatever. That is the Labour Party's opinion of what is fair and just. That is their notion as to how this Commonwealth is going to progress! I should like to know what is to become of the other classes of the community? Can there be a grosser wrong than that the Labour Party of one State should have absolutely the whole representation. We have made our bed, and must lie upon it, but we hope that there will be some common-sense people in Western Australia, and that the Labour Party will not capture the whole of the representation. I should like to say something about the position and aims of the Labour Party, because here we come to a distinction, which I think, we ought to bear in mind. There is such a thing as a political party, and there is such a thing as a party which degenerates into a faction. I do not suggest, for one moment, that the Labour Party are a faction. I have all along recognised Senator McGregor as the leader of the Labour Party; but, if they are only a faction, and I am putting the matter in this way, simply for the sake of argument, I must in future dub the honorable senator the leader of the Labour faction. What is a faction? A party seeks to help the State. A faction seeks to make the State help it. We have to ask ourselves whether the Labour Party have, in their methods, been seeking to make the State help them. I am coming now to a rather serious subject. We have two high officials to appoint in the Senate. One of them has already been appointed, but, as I understand, certain people, who believe that there is such a thing as "the spoils to the victors," think that they may as well reap some of the spoils, as they have had a victory. There are certain rumours about as to certain bargains that have been made. It remains to be seen whether those rumours are correct, but all I have to say, is that if there has been bargaining or bartering about personal matters of this description, where the consideration has not been that the best man, or the best man fitted for a position, should be appointed to it, but that our chum, or our friend, or our party, should have it;

and if my honorable friends, the members of the Ministry, have been parties to this bargaining or bartering, I do not think it redounds to their credit.

Senator DAWSON.—What does the honorable and learned senator mean? What is he driving at?

Senator DOBSON.—Honorable senators of the Labour Party have all listened very attentively, and I think they know pretty well what I am talking about. I should like to refer to one argument in connexion with the proposed Arbitration Bill, which I find I have omitted.

Senator MCGREGOR.—The honorable and learned senator is going back to that.

Senator DOBSON.—I am going back to it, and I hope that some of our friends are going back on it. As I travelled through the State of Tasmania, I found that a large majority of the working men whom I came across and numbers of trades people, who sympathize to some extent with working men, are absolutely waiting for this Federal Bill in order to twist it to their advantage in a way which I am satisfied the framers of the Constitution never intended. The provision in the Constitution can only mean that when a dispute *bonâ fide* spreads, as I admit the maritime dispute did, to more than one State, then and then only should the Commonwealth Act come into operation.

Senator PEARCE.—If by the Act we exceed our powers under the Constitution, can we put it into force?

Senator DOBSON.—Certainly not, but this is a different matter to the inclusion in the Bill of State public servants, which I believe is absolutely unconstitutional. What I understand is that, having got their Arbitration Court, if they do get it, and I hope they will not, the miners on the West Coast of Tasmania are waiting to turn the Court to their own use, and to a use never contemplated by the Constitution. Perhaps some of my honorable friends have heard of the dispute which took place between the Mount Lyell miners and the company. Two level-headed men, in this case, I am glad to say, went over from Ballarat to discuss the question with the miners at Queenstown, or Lyell. These level-headed men ordered that there should be no strike, and in that they acted very wisely. But when I went there the other day I heard in a dozen different places from a dozen different kinds of men that as soon as the Federal Arbitration Bill was passed this dispute would be brought before the Arbitration Court, and it

can only be brought before that Court by collusion, that is, by making the miners strike at Queenstown and Mount Lyell appear to spread to one or two of the other States for this sole purpose. I heard this again and again, and we know that the Labour Party can twist little things to the advantage of their clients and supporters. I did not swallow all I heard, but I believed a certain portion of it, and I am perfectly satisfied that, unless we draw the Commonwealth Arbitration Bill with more skill than is possessed by most of us, we shall have disputes, which in ordinary circumstances would be confined not only to one State, but to one little locality, spread beyond the State in which it takes place, in order to have the Commonwealth Arbitration Act brought into operation where there is no State Arbitration Court. In the State from which I come the people's House, the Tasmanian Legislative Assembly, has rejected an Arbitration Bill.

Senator O'KEEFE.—They admitted that they knew nothing about it.

Senator DOBSON.—They put it into the waste paper basket by a majority of almost two to one, and I ask why the people of my State should have a Commonwealth Arbitration Act forced upon them, because it may happen to be drawn so loosely that people who are dissatisfied in Tasmania can get some union in another State to say that they are also dissatisfied, and thus comply with the condition that the dispute shall extend beyond the boundaries of any one State?

Senator PEARCE.—Cannot the honorable and learned senator move to amend the Bill in Committee?

Senator GIVENS.—Is the honorable and learned senator afraid that the Arbitration Court established will not mete out justice?

Senator DOBSON.—Certainly not, but I should like the Court to have its duty confined to legal and not industrial matters.

Senator GUTHRIE.—Is not a dispute a legal matter?

Senator DOBSON.—I regret to see that the Government again think of bringing forward the Inter-State Commission Bill. I shall probably give notice to-morrow of a motion similar to that which I gave notice of last session, but which I withdrew as there was no time to discuss it, that, so far as this matter is concerned, it would be as well to amend the Constitution in order to vest in the High Court, temporarily or for as long as may be deemed necessary, the duties which it is proposed the Inter-State Commission shall perform.

Senator GIVENS.—A very good idea.

Senator GUTHRIE.—The High Court is overworked.

Senator DOBSON. — Could Senator Guthrie have made a more unwise interjection? Is there one member of the Federal Parliament who believes that the High Court is overworked, or that it will be sweated if we ask it to assume the duties of the proposed Inter-State Commission, which we have been able to get along without for three years one month and so many days? It appears to me that Australian trading and railway concerns are not big enough to justify the establishment of a tribunal of this sort.

Senator MCGREGOR.—Then why did the honorable and learned senator provide for it in the Constitution?

Senator DOBSON.—As the High Court admittedly has little or nothing to do, it will be a godsend to give its members a little work. I do hope that Ministers will drop the Inter-State Commission Bill, and will not think for a moment of bringing into being another department which is absolutely unnecessary.

Senator GUTHRIE.—The members of the High Court have no knowledge of commerce.

Senator DOBSON.—There is a paragraph in the Governor-General's Speech dealing with the proposed appointment of a High Commissioner, which I do not approve of. It appears to me that Ministers have no settled policy about it, and as it involves the creation of a new and expensive department, it is a question upon which we have a right to expect Ministers to have some well-defined policy. The paragraph reads—

The interests of the Commonwealth in London have hitherto been temporarily in the charge of the Agents-General of the States. You will be invited to make provision for the appointment of a High Commissioner, whose supervision of all matters of Australian concern will include the duty of directing public attention to the resources of the States and their advantages as fields for settlement.

Some of my friends will ask what there is wrong about that. This is what is wrong with it: I have always understood that when we appointed a High Commissioner the States would withdraw their Agents-General and leave the management of the whole of their financial affairs in London to the High Commissioner, who, I assume, would be a gentleman competent to attend to them. The States would then appoint General Agents, whose duty it would be to

point out the resources of their States, to induce immigrants to go to them, to promote trade, and to find markets for the produce of the States. In pursuance of this policy, the State of Victoria has just despatched Mr. Taverner, giving him a salary of £1,000 a year, which is a reduction upon the salary previously paid to the Agent-General, to carry out the duties of a General Agent.

Senator PLAYFORD.—South Australia has had a General Agent for years.

Senator DOBSON.—I am aware that that is so. When the State Treasurer of Tasmania left to attend the Conference of Treasurers, I wrote to him asking him to bring before the Conference the relations which should exist between the High Commissioner of the Commonwealth and the Agents of the States in London in future. I desired that he should endeavour to have some uniform system decided upon. I understood that we were going to have a General Agent, and that we should hand over to the care of the High Commissioner all matters of diplomacy and the control of finances. I thought that was the settled policy of the Federal Parliament, and I know that many members of the Parliament have spoken in that way in debate. I now find that a High Commissioner is to be sent home, and, in order to make the appointment popular, in order, I suppose, to justify the great outlay involved in the payment of the salary and the expense of the office, it is proposed that he shall act as a General Agent, and he will be expected to set forth the resources of the States. I told my Premier that I could not vote for the appointment of a High Commissioner unless I knew what the policy of the States was to be. If it could be shown that we could save a little money by sending home a General Agent and reducing the expenditure of the Department in London, I might feel myself at liberty to vote for the appointment of a High Commissioner, but I shall certainly not vote blindfold, and I shall not vote for the appointment of a High Commissioner when no settled policy is announced, and Ministers have not made up their minds as to what a High Commissioner is wanted for.

Senator PLAYFORD.—How could we have a settled policy for six different States?

Senator DOBSON.—If we are going to take over the States debts, as I hope we shall, the High Commissioner will have an enormous amount of important financial work to do, but if he is to be given the work of a General Agent, to set forth the fruit-growing

prospects of Tasmania, and the mining prospects of Western Australia, I say that that can be better done by an agent sent direct from those States. If that idea is to be knocked on the head, let us know it. I may be disposed to vote for the appointment of a High Commissioner if I understand there is a well settled policy that he is to attend to everything. I do not know that it would be a bad plan to appoint a High Commissioner to attend to everything, each of the States sending home a secretary to ply him with information upon its resources. However, I remind honorable senators that Victoria has already taken action in sending Mr. Taverner to London in accordance with the other policy, and I should like to know where we are. The paragraph of the Governor-General's speech dealing with preferential trade merits some criticism. It says—

The preferential trade proposals now engaging the attention of the people of Great Britain will, if approved, assure to us an immense and reliable market. My advisors are pleased to note the cordiality with which these are generally regarded in this country, and are confident that the feeling will be strengthened when the statesman who is their author is able to visit us.

There is certainly no policy about that. But as Senator Pearce has said, there is a kind of implication that preferential trade meets with the approval of the majority of the people of Australia. As I understand the matter, at the last Conference of Premiers, held in London two years ago, the then Prime Minister of Australia pledged himself to go back to Australia and to suggest and carry through some policy of preferential trade. Canada did it, and Natal did it.

Senator PLAYFORD.—Canada had done it years before.

Senator DOBSON.—I think that Natal had done it before also. New Zealand has since done it, in pursuance of the promise made by Mr. Seddon. Australia is not going to do it, and is, therefore, as I understand it, breaking the promise given by Sir Edmund Barton.

Senator PLAYFORD.—The Prime Minister had no right to promise.

Senator DOBSON.—But I understand that he did promise.

Senator PLAYFORD.—I never heard of it.

Senator DOBSON.—At all events, in the report of the conference it is stated that the question of preference with Australia had not as yet been decided, but the Prime Minister of the Commonwealth had promised to introduce some

scheme, but could not say what form it would take. I am pretty certain that that was the case, and, therefore, I thought it very extraordinary that this speech should altogether depart from that view. I think that before the session ends we should be given an opportunity of debating this very important matter. I am not going to take up time by discussing the relative virtues of free-trade and protection. The Empire may suffer through an important question of the sort being made a party matter, but if in England that is found inevitable, I suppose we in Australia will follow suit. It appears to me, however, a matter which vitally affects the Empire, and for a few moments I shall consider it in that relation, hoping that Ministers will not be content with the namby-pamby paragraph in the speech, but will give us an opportunity to hear the policy of the Government. As representatives of the people we shall then be able to clearly express our views, and Mr. Chamberlain will have something to guide him whether our views be for or against his proposals. It is unfair to Mr. Chamberlain, to the Empire, and to this Parliament to leave the question in its present miserable state. We ought to know more definitely what the feeling of the Commonwealth is.

Senator PLAYFORD.—Mr. Chamberlain has his own definite policy, and has stated it plainly.

Senator DOBSON.—What I want to know is what the policy of the Commonwealth Government is? The result of the Conference in England justifies me in saying that we ought to have before us the policy of the Government, and ought not to be put off by the vague words in His Excellency's address. I quite admit that in some of his arguments Mr. Chamberlain has been "bowled over"; that his figures may be read in different ways, some as arguments in favour of preference and protection, and others in favour of free-trade. We might argue for weeks, and never agree as to their true value. But are there no other questions underlying these preference proposals? It has always appeared to me most extraordinary that Great Britain, in handing over as she did enormous tracts of country to her people in distant lands, and in granting us about the freest Constitution which could possibly be devised, never put in one little clause stipulating that she should be given preference in regard to Customs duties. Great Britain has never raised her voice in any

way when we have charged her the same 20 or 30 per cent. duties that we charged to her rivals. Apart altogether from what we know as the fiscal issue, is there no common sense? Is there no generosity? Is there no Imperial idea of trying to bind the Empire together by expressing a desire to give to Great Britain some kind of preference in our Customs Tariffs, and not charge the goods of our brother citizens and friends in England, exactly the same rate we charge to all foreign nations of the earth? Is it possible to have a federated Empire in the truest sense of the word, unless we also have federated trade? Lord Rosebery, Mr. Asquith, and two or three others have said that preferential trade so far from uniting the Empire will tend to break it up, by causing jealousy, and quarrelling. I do not for one moment take that view. It appears to me that if to the ties of loyalty and affection, which we have proved on the battle-fields of South Africa, we add the ties of self-interest and of business relationship, we must strengthen the Imperial connexion. I think that the liberal statesmen who desire to preach the Cobden doctrine of free-trade are often rather hard-up for arguments with which to answer our incisive friend, Mr. Chamberlain, and therefore they hurl about these statements, which, so far as I can see, are absolutely groundless. It was only a short time ago, that Sir Robert Giffen, who is a noted authority on free-trade and other financial matters, pointed out that Great Britain would have to widen her area of taxation. He showed that the expenditure of Great Britain is increasing enormously; and I find that the expenditure for this year is estimated at about £146,000,000, as against an estimated revenue of £143,000,000, showing a deficit of £3,000,000. I think Sir Robert Giffen was absolutely right when he said that Great Britain, as part of her daily policy, would have to resort to indirect taxation; that she could not, out of direct taxation, obtain the revenue necessary to carry on an enormous navy and army, and the general up-keep of the Imperial Government. For about twelve months, or ever since Mr. Chamberlain began to conduct his campaign, Sir Robert Giffen has left that point of view severely alone, but has been writing arguments against Mr. Chamberlain's preference proposals, and in favour of adhering to free-trade. But what he said twelve or eighteen months ago cannot

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be contradicted, namely, that in order to raise revenue to maintain the enormous navy which, it appears, must be maintained, Customs duties will have to be imposed. If that has to be done Great Britain might as well give a little preference to colonial goods, and we might follow the example of Canada, and knock off one-third of the duties as against Great Britain.

Senator PEARCE.—Would it "burst up" the Empire to impose land values taxation?

Senator DOBSON.—I do not think that any taxation of that sort is likely to "burst up" the Empire. At the present moment, however, I am speaking about preferential trade, and not about land taxation.

Senator PEARCE.—But the honorable and learned senator is talking about taxation.

Senator DOBSON.—I am talking about taxation through the Customs. That brings me to the point that I am opposed to the policy of the Government in raising duties against foreign nations. If we read Mr. Chamberlain's speeches carefully, or the synopsis of his policy, as set forth by himself, we see that he desires to work in the direction of Imperial free-trade. I take it that some honorable senators sitting opposite have a soft corner for Imperial free-trade, and if we reduce the duties in favour of Great Britain, we shall be going in that direction. Why should we not work with that object? Of course, if honorable senators opposite, with the exception of Senator Pearce, are going to work in the other direction, and raise the duties against the outside world, thus simply mocking Mr. Chamberlain by giving him no preference, I shall be absolutely opposed to such a course, which, in my opinion, would not do any good. There is another Imperial reason which has nothing to do with the fiscal issue. We all know that between 1854 and 1866 there was a treaty of reciprocity between Canada and the United States. What Mr. Chamberlain points out to us is that if the statesmen of Great Britain with the help of the statesmen of Australia and the other British possessions have not the wit to devise some reciprocal method of trading which will bind the Empire closer together, there is nothing to prevent our sharp American cousins taking advantage of the opportunity, and trying to do with Canada what we are unable or unwilling to do.

Senator BEST.—Such an arrangement was nearly consummated recently.

Senator DOBSON.—And that is what I want to avoid. There ought to be some method of binding the Empire together by means of trade, without everlastingly fighting the fiscal issue of free-trade and protection. We have the most wonderful Empire the world has ever known, containing within its limits all kinds of climates and soil. We are able to supply all the meat and corn which England requires, and, with a little skill, ought to produce all the raw material needed in the old country. Are we to fold our hands, and, because of the everlasting fiscal issue, make no effort to bind the Empire closer by trade relationship? Outside the fiscal issue, as we know it, there are several Imperial reasons which ought to lead every honorable senator to favour helping the Balfour Government, and, to some extent, Mr. Chamberlain, towards some scheme of preferential trade. I should like to refer for a moment to the question of the mail contracts. I suppose my friends in the Labour corner will raise a great laugh if I venture to point out that, to some extent, the black-labour section of the Post and Telegraph Act has turned out a fiasco. Some of us prophesied that that would be the result, but although the prophecy has been realized, I presume that it will not alter by one jot or tittle the opinion of my Labour friends.

Senator GIVENS.—It is very unprofitable trying to be a prophet.

Senator DOBSON.—But my prophecy has to some extent come true. The Postmaster-General is now saying that a good way to save money would be to send home the mails on the poundage system; and if that be done the mails will be carried in vessels on which the unfortunate lascar—our black Ayran brother—is in the stoke-hold. To that extent the section has been a fiasco—a failure. It is not going to carry out what the Labour Party desires, because that party is not content with a reasonable interpretation of the doctrine of a White Australia, but as usual press it to extremes in the interests of their own class only. I can hardly understand that the Labour Party will put up with a mockery of the kind—that they will absolutely allow their letters to go home in vessels stoked by their Indian fellow-citizens. Such, however, will be the case, and I should like to say again that this is the sort of legislation which has brought the Commonwealth into disrepute, and which broad-minded men in other parts of the world cannot understand. I do not think that anything in the world would induce me to be-

lieve other than this section in the Post and Telegraph Act is most extraordinarily cruel. I cannot understand how men who belong to an Empire controlling practically one-fifth of the civilized and uncivilized portions of the globe, and containing 300,000,000 coloured people, can insist on a law being retained on the statute-book which may possibly bring the British Government into the very gravest position, is an insult to the Indian people, and can do no earthly good to the workers of Australia. I have pointed out again and again that the reason there are so many coloured men in our mercantile marine is that white British sailors are not procurable. During the last decade the lascars in the mercantile marine have increased by 12,288, the foreigners by 8,730, and the British sailors by 7,155. It will be seen that the increase is less in the case of the British sailor than in that of either the foreigner or the lascar. Whenever a speaker makes a point of this kind, the answer of the Labour Party invariably is—"You do not pay the white sailor enough wages." All these matters resolve themselves, in the last resort, into a question of wages, but labour representatives must know that there is a limit even to wages.

Senator GUTHRIE.—Does the honorable and learned senator think that a white man can live on a lascar's wage of 16s. a month?

Senator DOBSON.—That does not touch the point with which I am dealing. Stoking is to some extent niggers' work, if I may use that phrase. My honorable friend may call stoking white men's work; but I do not.

Senator GUTHRIE.—Has the honorable and learned senator tried it?

Senator GIVENS.—There is no work that is niggers' work only.

Senator DOBSON.—My honorable friend and I crossed swords on the question the other night, when I told him that cane-cutting was niggers' work.

Senator GIVENS.—It is not.

Senator DOBSON.—We must agree to differ. If my honorable friend would like to go into the stoke-hold or to send some of his relatives there, I should pity them. I believe that they could find on shore more congenial work in which they could make much better wages and would not be offered any temptation to become drunkards. It will be very bad policy on the part of the Government to attempt to put off the great commercial community by telling them that

their mails are to be carried on the poundage system. We have a right to have our mails punctually carried under contract, and to know exactly what we are doing. We have a right to lay down certain conditions as to refrigerating chambers, and to know that there is no danger of our commerce being destroyed or injured simply on account of this wretched provision in the Post and Telegraph Act. Therefore, I cannot congratulate the Government, or do anything but criticise them most severely if they attempt to give us this poundage system; mocking us all the time by paying the poundage to ships which are stoked, as they ought to be, by black labour. I shall be very glad to read the Navigation Bill, as soon as I am permitted to do so. It contains one or two contentious clauses which I believe will evoke a great amount of criticism and argument.

Senator DAWSON.—We have not seen the Bill yet.

Senator DOBSON.—Surely my honorable friends must have read in the newspapers the suggestion that English ships which touch at Fremantle are not to be allowed to take in a ton of goods or a single passenger unless they pay the Australian rate of wages. I shall be very much surprised if our friends from Western Australia allow themselves to be cut off from the Commonwealth in that way. I regret that the State rights of Tasmania are sought to be interfered with. We are trying to develop our tourist traffic, which is one of our best assets. We desire to make Tasmania the playground of the Commonwealth, as it ought to be. If the Navigation Bill is to tell tourists that they cannot come in large steamers, to dictate to the English ship-owner how he shall carry on his business, I shall oppose its passage in every way I can, and insist that my State is being injured, and that its assets are being depreciated without any gain to the people of Australia.

Senator DAWSON.—Why this new-born anxiety?

Senator DOBSON.—I have an anxiety to protect the great asset of my State. I have been trying for eleven years to develop Nature's asset, and, therefore, it is only natural that it should command my attention. Under a policy of that sort, Australia cannot possibly progress.

Senator GIVENS.—Does the fact that tourists go there come under the legal definition of an asset?

Senator DOBSON.—I have ventured to call it Nature's asset. It is a very big asset with us. If the honorable senator knows anything about the tourist traffic he will know that in Italy the turnover is about £13,000,000, and in Switzerland about £4,000,000. In Tasmania the turnover is of infinite advantage to us. We did not enter into the Federation in order to have every question determined by a standard of wages, or to be deprived of any privileges. On behalf of my State I shall protest against such legislation being brought forward by sensible and competent Ministers. We are told in the opening speech that it is very necessary that a site for the Federal Capital should be chosen. I should think that it is about the last thing which is very necessary. It will not advance our prosperity by one iota; it will do no good to anybody. Although we have more work to do than we can possibly get through, yet we are to be asked to waste hours and hours in discussing this question. The Federal Capital must be in the mother State. All I desire to guard against is that its establishment shall not be rushed. I dispute the dictum of Senator Smith that there is anything in the Constitution which requires that at the earliest possible moment we should construct the capital.

Senator Lt.-Col. GOULD.—We have not hurried about it very much yet.

Senator DOBSON.—My honorable and learned friend and his colleagues have done nothing but hurry us about it ever since we met. They have never allowed a month to go by without talking about the establishment of the capital, as if that could really increase our prosperity. I desire to see the 100-mile limit struck out of section 125, so that we can have the capital in Sydney if we wish. I do not wish it to be there for all time, because in the generations to come it may be found that it ought to be at Bombala or Tumut. In the present state of the finances, and with so much more important business for us to transact, it would be simply idle to talk about constructing a permanent capital. A few years ago Mr. Reid got the Parliament of New South Wales to vote a sum of £572,000 for the erection of a new Parliament House. Since that time the old building has been repaired; but a time will come when a new building will be required. All I desire to see is that within a reasonable time a new building shall be erected, by that State, for the use of the Commonwealth; and if it should be found hereafter that we ought to have a

permanent capital we could move out of the building. We could create a temporary capital by simply constructing a Parliament House in Sydney, and in future years we could decide whether we should have a permanent capital in the back-blocks.

Senator Lt.-Col. GOULD.—The honorable and learned senator knows that that means an alteration in the Constitution.

Senator DOBSON.—Of course it does. I want an alteration of the Constitution in regard to the Inter-State Commission, and the Treasurer desires an alteration so that we may be able to take over the States debts which have been incurred since the establishment of the Commonwealth. I never could understand that to locate this Parliament on a piece of land in the back-blocks was the only way to produce national ideas, and that so long as we remain in Melbourne, or Sydney—in a centre of population, with modern, up-to-date journals, and with the man in the street to keep us up to the mark—we must have provincial ideas. That is turning the whole question into one of localities, and not of men. I do not hesitate to say that we might have wise and statesman-like ideas in the middle of Sydney, and very provincial ideas at Bombala or Tumut. The Defence Act appears to me to be very defective. It does not enable the Government to compel any one to defend his country or his home unless he is paid 8s. a day. The only alternative to conscription is the compulsory drill of our boys between the ages of thirteen and nineteen. I raised this question last year, when the Attorney-General was in charge of the Defence Bill. I received a fair amount of support, but I was told that, although my proposal was of great importance, it was so late in the session that it could not be included in the Bill. It was also urged that it would be an interference with the States; that there would be friction about how it should be carried out; and that it would cost a great deal of money. I do not think that any one of these arguments is quite correct. The question of defence is committed to the jurisdiction of this Parliament. Just as a State can and does insist on its children learning to read and write, lest their ignorance should become a danger to its welfare, so the Parliament of the Commonwealth has an undoubted right to see that all boys of proper age are taught physical and military drill and the use of the rifle. It would pave the way for the creation of the citizens' army of which we are always talking. How are we to ob-

tain the citizens' army unless we adopt this plan? It has been said at home again and again that it is the only alternative to conscription. Not one of us desires to see conscription introduced into the Commonwealth, but I desire that every lad between the age of twelve and eighteen or nineteen should be compelled to learn his drill and the use of the rifle.

Senator GUTHRIE.—How does the honorable and learned senator propose to carry on the coastal defence if all the trade is to be done with lascars?

Senator DOBSON.—I have done with lascars for the moment. I wonder if my honorable friend has any boys to be drilled.

Senator GUTHRIE.—The first line of defence is the naval force, and I want to know how it is to be worked.

Senator DOBSON.—I should be very grateful to my honorable friend for any interjection which was relevant to the question of laying the foundation of a citizens' army. We cannot afford to pay thousands to militia; we cannot afford to ask for volunteers, and then find that they have to be paid like militia; but we can afford an expenditure of £100,000 to drill our boys, and teach them the use of the rifle. If that course is taken we shall reap an advantage in years to come. Otherwise it will be found hereafter that we made a most fatal mistake in laying the foundation of our defence system.

Senator GUTHRIE.—If we have a coastal defence we do not need a land force.

Senator DOBSON.—I should have liked to see a reference in the opening speech to an Imperial Court of Appeal, because that is a means whereby the Empire might be bound together. It would form another link between the States and the Empire.

Senator GIVENS.—Does not the honorable and learned senator think that our own High Court is competent to hear all appeals?

Senator DOBSON.—The honorable senator does not seem to know what I am talking about, as he will discover if he will only listen to me for a moment. It is constantly said that the Privy Council is not cognisant of local conditions, and that a Court of Appeal, consisting of a Judge from Australia, a Judge from England, a Judge from Canada, and a Judge from America would be of the greatest assistance in dealing with appeals from the various colonies. Mr. Haldane has worked out the idea with very great pains, and I feel quite sure that

an Imperial Court of Appeal would be a very good thing for the Empire.

Senator KEATING.—For how long does the honorable and learned senator think that the Judges should be allowed to hold office?

Senator DOBSON.—Surely that is a question of detail.

Senator KEATING.—It is a very important one, because the Judges would get out of touch with Australia and New Zealand if they were allowed to hold office too long.

Senator DOBSON.—With regard to the construction of a railway to Western Australia, I think that Senator de Largie was not justified in talking about the obligations of the Commonwealth, or in using the word "repudiation" in that regard. I know of no obligation on the part of the Commonwealth to construct that line. If I vote against the proposal, I shall repudiate nothing. On that question, as on others, I am bound to do what is right and just to the State I represent, and to the Commonwealth generally. What the advocates of this line have to do is not merely to exaggerate, and to talk about obligations which do not exist, but to prove that it is necessary, and, from the financial stand-point, practicable. If Western Australia is to derive a very large amount of benefit from its construction, I should expect that it would offer to take more than its population's share of the very grave responsibility which it desires the Commonwealth to assume. I do not believe that the railway will ever be built for £4,500,000. If my honorable friends ask me whether I set my opinions against the opinions of the experts, I reply—"Nothing of the kind; but in almost every instance the cost of works of this sort exceeds enormously the estimates of any experts that I have ever heard of." I have now spoken quite long enough, and as I have nothing further to say I will resume my seat.

Debate (on motion by Senator DAWSON) adjourned.

PRIVATE BUSINESS.

Senator Lt.-Col. GOULD.—Does the Vice-President of the Executive Council contemplate that the debate on the Address in Reply shall take precedence of other business to-morrow, although the sessional order provides that private business shall come first?

The PRESIDENT.—The Standing Order expressly provides that the debate on the Address in Reply shall have priority.

Standing order 14 says—

No business beyond what is of a formal character shall be entered upon until after the Address in Reply to the Governor-General's opening speech shall be adopted;

and it goes on to define what is formal business.

PAPERS.

Senator PLAYFORD laid upon the table the following papers:—

Notifications of the acquisition of land at Fort Largs, South Australia, for defence purposes; and at Scone, New South Wales, for a post and telegraph office.

Rules of the High Court as to scale of fees, dates of sittings, appeals, and elections.

Minute of the Permanent Head of the Attorney-General's Department; and minute and certificate of the Public Service Commissioner upon the appointment of Mr. A. G. Brown as Secretary to the Representative of the Government in the Senate.

Rules dated 18th December, 1903, under the Rules Publication Act.

Reports of the Permanent Head of the Department, and the recommendation of the Public Service Commissioner, in regard to the promotion of Mr. W. H. Barkley, Senior Clerk, Central Staff.

Senate adjourned at 10.5 p.m.

House of Representatives.

Wednesday, 9 March, 1904.

Mr. SPEAKER took the chair at 2.30 p.m., and read prayers.

NEW MEMBER.

Mr. BRUCE SMITH made and subscribed the oath of allegiance as member for the electoral district of Parkes.

BOUNTIES FOR PRODUCTION OF IRON.

Mr. JOSEPH COOK.—I notice that the Minister for Trade and Customs has upon the business paper a motion for leave to bring in a Bill for an Act relating to bounties for the encouragement of manufactures. Does that cover a proposal for the granting of bounties for the production of iron?

Sir WILLIAM LYNE.—The Bill deals with the question of bounties generally, and has special reference to the granting of bounties for the production of iron.

VICTORIAN PILOTAGE.

Sir LANGDON BONYTHON.—Yesterday I asked the Minister for Trade and Customs a question without notice, in

reference to the practice of the Victorian Government in charging pilotage for over-sea ships not registered in this State, although they may be commanded by masters holding exemption certificates. The Minister stated that he thought that the companies concerned should test the legality of that practice in the courts, and I ask him now if he does not think that it would be unfair to require them to do so? Should not the Commonwealth Government itself take steps for the enforcement of the provisions of the Constitution?

Sir WILLIAM LYNE.—I replied to the honorable member yesterday that it had been stated to me by the manager of the Adelaide Steamship Company that, in Victoria alone, pilotage dues were charged for vessels not registered in the State, even though their commanders might hold exemption certificates. I do not know that the Government are yet in a position to deal with the matter, but it can and will be dealt with by the Inter-State Commission. To my mind, the Victorian practice is an infringement of the provisions of the Constitution, and I recommended the gentleman who brought it under my attention to test its legality in the law courts, in order to put the matter prominently before Parliament and the country.

SIR GEORGE TURNER'S ATTITUDE AT THE TREASURERS' CONFERENCE.

Mr. MAHON.—I wish to know from the Treasurer if his attention has been directed to the following telegram from Western Australia, which conveys opinions alleged to have been expressed by Mr. Gardiner, the Treasurer of that State:—

Mr. Gardiner, the Treasurer, to-day arrived from Melbourne. He speaks very strongly against the attitude of Sir George Turner and Sir John Forrest at the Treasurers' Conference. There was more advertisement than sincerity, he says, in Sir George Turner's proposals. His statement of the position was full of old exploded arguments or assertions. Sir George Turner's suggestions were attempts to make the State Parliaments mere district councils.

Then comes what some of the representatives of Victoria may possibly consider a sacrilegious observation. In conclusion

He complains bitterly that, although the Conference was held in private, nearly all that Sir George Turner said appeared each morning in the press.

Mr. McCOLL.—I do not believe that Mr. Gardiner said that.

Sir GEORGE TURNER.—I have grave doubts as to whether the Treasurer of Western Australia made the remarks which are attributed to him. They are quite contrary to the position which he assumed at the Treasurers' Conference. The honorable member for Coolgardie will see that for himself if he will read the report of the debates which took place at the Conference. Moreover, honorable members who read the newspapers know that my speeches were not reported each morning. I saw the representatives of the press always at the one time, and gave them a formal intimation of what had been done, but I never communicated to any pressman anything I had said in the Conference. Unless I myself heard Mr. Gardiner make the remarks attributed to him I would not believe that he had uttered them.

PAPERS.

MINISTERS laid upon the table the following papers:—

Notifications of the acquisition of land at Fort Largs, South Australia, for defence purposes; and at Scone, New South Wales, for a post and telegraph office.

Rules of the High Court as to scale of fees, dates of sittings, appeals, and elections.

Minute of the permanent head of the Attorney-General's Department, and minute and certificate of the Public Service Commissioner upon the appointment of Mr. A. G. Brown as secretary to the representative of the Government in the Senate.

Rules dated 18th December, 1903, under the Rules Publication Act.

BOULDER POST OFFICE.

Mr. FRAZER asked the Postmaster-General, *upon notice*—

1. Whether he is aware that the Post-office building at Boulder is altogether too small for the satisfactory despatch of the large volume of business transacted therein?

2. If so, will he cause sufficient money to be placed on the Estimates to enable the necessary additions to the existing building to be carried out?

Sir PHILIP FYSH.—The answers to the honorable member's questions are as follow—

1. On inquiry, the Postmaster-General has now been informed that the additions to the Post-office building at Boulder, recently carried out at a cost of £3,583, do not provide sufficient room in every respect. It is, however, reported that, if offices are established at Kamballie and Fimiston, with the exception of the receiving-room, there will be sufficient accommodation for the business of the office.

2. Inquiry will be at once made with a view to providing any increased space actually necessary.

PATENTS ACT ADMINISTRATION.

Mr. WILKINSON asked the Prime Minister, *upon notice*—

1. Whether a working man, say in Queensland, who desires to obtain a patent under the Commonwealth law, will be in as good a position as one who resides in Melbourne, or wherever the seat of government may be?

2. If a dispute arose regarding his patent rights will it be necessary for a Queenslander to journey to the seat of government to fight his cause?

3. Is it intended, in the working of the Patents Act, to provide for the distribution of all necessary information relating to patents granted, in all the more important centres within the Commonwealth, so that persons desiring to inspect the same may be able to do so without journeying to the seat of government?

Sir WILLIAM LYNE.—In reply to the honorable member's questions—

1. Yes. All persons in the Commonwealth desirous of obtaining letters patent are on the same footing. All can make application through the post, personally, or by a patent attorney, or agent.

2. Not necessarily. Matters of small importance could be settled by post, but in the event of any serious dispute arising, say, for instance, opposition, it would be necessary for the parties to be represented by a patent attorney or agent, or to attend personally.

3. Yes.

LIEUTENANT R. E. SHELDON.

Mr. CROUCH asked the Minister for Defence, *upon notice*—

1. What was the date of the appointment of Lieutenant R. E. Sheldon, and to what corps?

2. Was Lieutenant Sheldon under engagement from England, and in what capacity, and when did his engagement expire?

3. Is there any reason why Lieutenant Sheldon should be so appointed to a permanent position when other Australian engineers were equally competent?

Mr. CHAPMAN.—The answers to the honorable and learned member's questions are as follow:—

The General Officer Commanding reports—

1. May 30th, 1903. (Gazette No. 24). Australian Engineers.

2. Yes. Submarine Mining Storekeeper, New South Wales. First period of engagement expired on 7/7/03.

3. No others were equally competent, or possessed the requisite knowledge and military experience.

GOVERNOR-GENERAL'S SPEECH:
ADDRESS IN REPLY.

Debate resumed from 8th March (*vide* page 231), on motion by Mr. MAUGER—

That the Address be agreed to by the House.

Mr. WEBSTER (Gwydir).—I rise with some diffidence at this early period in the session to address a few remarks to the House

on the opening speech. I do not intend to discuss every item in the speech, but to refer to two or three of the more important matters with which it deals. I have been considerably amused by the puzzled expressions which have fallen from the leaders of the different parties in the House with regard to their future position. I have no doubt that the members on the Opposition side find themselves in a very peculiar position, as do also the members on the Government side. I think that we shall have to wait for developments before we are able to realize exactly where we stand. The three matters to which I desire to direct attention are, firstly, the financial position of the States and of the Commonwealth; secondly, the question of immigration; and thirdly, the question of population in its relation to the report of the Royal Commission in New South Wales which dealt with the question of the birth-rate. These are three questions which to my mind underlie not only Federal administration, but also the prosperity, not merely of this State, but of the whole Commonwealth. When I hear honorable members who are experienced in parliamentary debate and well posted in parliamentary statistics decry the credit of Australia as a whole, and so try to place their party on a pedestal as critics of the financial position of the Commonwealth, it makes me reflect for a moment, and take a survey of the position of the Commonwealth as compared with that of other countries. I am not one of those who believe that it is wise at any time to cry stinking fish, even provided a bad state of affairs did exist. From every platform during the Federal campaign in New South Wales we heard *ad libitum* prophecies, both as to the insolvency of that State and as to the impossibility of obtaining money to carry on the government of the State and of the Commonwealth. But when I come to glance at the statistics, I am at a loss to understand upon what facts those prophecies are based. When I consulted Mr. Coghlan some time ago in connexion with State finance, I was informed by a special return which he provided that New South Wales has borrowed nearly £80,000,000, and that of that sum £60,000,000 has been spent on revenue-producing works, and £20,000,000 on works which are essential to the development of a new country. Taking from the annual interest the amount which is provided from the revenue-producing expenditure, we find that it materially alters the position which is put before us by those persons who are always seeking to

defame the credit of this or that State. It is possible that many honorable members have not worked out the figures which Mr. Coghlan so courteously supplied to myself and others. He says that, instead of the taxation being the amount which is generally put forward by critics of the financial position in New South Wales, we are simply paying per unit of the population only 8s. 2d. per head on unproductive loan expenditure. In Victoria, with all its faults, with all its errors of administration, with all its non-paying railways, we find that when the whole thing is boiled down and we put to the credit of that State the revenue which is derived from revenue-producing loan expenditure, its people are paying only 7s. 11d. per head according to the figures which were given to me by Mr. Coghlan at the end of 1903. I challenge any man, be he a member of this House or a member of the State Parliament, to produce reliable statistics from any civilized country where the population are under a less burden of taxation than are the people of this Commonwealth. It rather hurts me to hear such statements as I complain of, when I know that I can rely on Mr. Coghlan's facts in statistical matters, and also when I know that Mr. Nash, the financial editor of the *Sydney Daily Telegraph*, has practically indorsed the return which he provided. It will be seen, therefore, that I am taking, not only the record of our Government Statistician, but also the statement of a gentleman on an antagonistic press, who has at least honestly expressed his opinion on the true position of affairs. I cannot see any justification for the expressions which escaped from the honorable member for Parramatta yesterday. I know that it has become practically chronic with some persons to act in this way, and allowing for the law of imitation it seems to me forgivable that they should at all times rise and disparage the credit of the Commonwealth or the credit of the State.

Mr. JOSEPH COOK.—The honorable member is now speaking out of a full experience, I suppose?

Mr. WEBSTER.—I do not know whether I have had a full experience or not; but I hope that when I gain a full experience I shall be able to use my knowledge with more discretion, and do more good for the community I represent, than my honorable friend is evidently inclined to do. I do not desire to enter into a lengthy discussion on the finances of the Commonwealth or of the States.

Mr. JOSEPH COOK.—The honorable member had better do so while he is at it.

Mr. WEBSTER.—I shall please myself as to how far I shall go. I am not under the domination of any party as regards the expression of my opinions, and I feel sure that the honorable member will grant to a new member, with whom he should sympathize, the same privilege that he would expect to receive. I trust that honorable members will reflect before they rise to give expression to views which will not assist to remove the difficulties which beset the States in this time of financial crisis or panic, for that is really what it is. My leader truly described the reason why the loan market is out of joint to-day. He stated that owing to the large amount of money borrowed by municipal institutions in Great Britain during the last two or three years, and the enormous sums that have found their way into South Africa to liquidate the expenses incurred during the war, we could not expect any other result, and that we should have to bear our share of the temporary inconvenience involved. In view of these conditions, I fail to see why honorable members who profess to have at heart the best interests of the country should make statements which have already done much, and are calculated to do still more, to injure the credit of Australia. The statistics which I have quoted prove beyond any doubt that, among the more advanced countries in the civilized world, ours is subject to the least burden of taxation per unit of population, and that consequently there is no justification for the cry which has been so persistently raised with regard to the insolvency of our States. During this debate we have heard the Prime Minister and the leader of the Opposition speaking practically in accord with regard to the means to be adopted for the development of the resources of the Commonwealth. The sixth, seventh, and eighth paragraphs of the Governor-General's speech deal with the question of extending practical assistance and encouragement to those of our population who are settled upon the land, with a view to enabling them to increase the productiveness of the soil, and thereby contribute to the prosperity of the Commonwealth. I realize that the intention of both honorable gentlemen—and they are in absolute accord upon this question—is a most laudable one; but the question is whether their ideas are practicable, or whether they propose the best way of attaining the object

in view. In the midst of all the efforts made to settle people upon the land in the various States, it has been recognised that before any proposals could take practical effect, the land must be made available for settlers. When the leader of the Opposition was speaking, I was reminded of his utterances in the State Parliament of New South Wales some years ago, when he introduced the land and income tax, and thereby did something to relieve the community, by adjusting the incidence of taxation. It would have been a great achievement on the part of the right honorable gentleman had he been able to adopt the same policy as that followed by the Right Honorable Mr. Seddon in New Zealand, when he first grappled with the question of land taxation. If the right honorable and learned member had done that, there would have been very little cause for the complaint that intending settlers are unable to secure suitable land. It may not be generally known that in New South Wales—as the honorable member for Bland has stated—there are hundreds of settlers' sons who have been on the land all their lives, who are now anxiously looking forward to the day when they will be fortunate enough under the Tattersall's Sweeps' system of drawing lots for land to win the marble which will give them the right to settle upon a suitable block of land in this grand country. I might also say that the land now available for settlement is not the most suitable for agricultural purposes, because it is practically the remnant that has been left after all the best land has been taken up. Therefore, it is absolutely necessary that the policy of the Labour Party should be carried out as soon as possible, and that land monopoly should be done away with. I do not wish to raise the cry of class against class, but I hope that the Prime Minister, the leader of the Opposition, and the leader of the Labour Party, who are in agreement as to the necessity for doing something to relieve the situation, will combine to adopt the one solution of the difficulty. The three parties in this House are practically agreed upon many points, but it is still a little puzzling to forecast developments. We have heard the leader of the Opposition appealing to the Prime Minister to come into closer union with himself or with some one else. The right honorable gentleman has the claim to priority, so far as age is concerned, and he evidently desires that the alliance which has been so much spoken of may be brought about speedily. I do not see any reason

Mr. Webster.

why the Prime Minister and the leader of the Opposition should not form an alliance, because there is practically no point of difference between them at the present stage. The most important point upon which the Government and the Opposition, and the Government and the Labour Party are at variance, arises out of the proposal which has been made that the provisions of the Conciliation and Arbitration Bill shall be extended to the servants of the States. The leader of the Opposition has, however, in effect, told the Prime Minister that if he will stand by his public utterances, he may count upon the support of that right honorable gentleman, to prevent the incorporation of such a provision in the law. When we come to consider the more serious question of the stagnation of population in the Commonwealth, we cannot help viewing, with the keenest of regret, the report of the Birth-rate Commission, which recently reported to the Government of New South Wales. Some people seemed to think that the Commission would not serve any useful purpose, but I believe that it will result in great good, even if it only opens the eyes of the people to the existing condition of affairs. I recognise that the States Governments have not been altogether blameless in allowing this condition of affairs to arise. We are all aware of the methods which are adopted by persons who desire to diminish the natural increase of our population, and we know that those practices have been freely advertised through the medium of the daily press, without any barrier being interposed by the States Governments.

Mr. DEAKIN.—That question is under the control of the States and not of the Commonwealth.

Mr. WEBSTER.—I quite understand that. I merely wish to point out that if the States Governments had realized their duty in this connexion they would have prohibited the publication of advertisements which are responsible for the deplorable condition of affairs which exists to-day. I do not regard the stoppage in the natural increase of our population as the chief evil. There is a more regrettable phase of the question than that—I refer to the suffering which is visited upon the female portion of the community as the result of the adoption of the nefarious practices which have been advertised without let or hindrance on the part of the States Governments. I do not see how we can prevent, not only the restriction of our population, but the undermining

of the health of the mothers of this nation, unless the Prime Minister appeals for the prohibition of this class of advertisements. In a young country like Australia it is deplorable that the birth-rate should be practically stationary, and that everywhere we should see signs that the future mothers of the nation have a disinclination to perform the functions which they should discharge as citizens of the Commonwealth. I now come to a matter which has been debated at considerable length—that of preferential trade. I do not wish to say a great deal upon it, because I consider that it is now beyond the range of discussion. All parties are practically agreed as to the future of preferential trade. The leader of the Opposition has already intimated that he is prepared to agree to a fiscal truce during the currency of this Parliament. On the other hand, the Prime Minister declares that he is willing to wait until Great Britain gives us some idea of the nature of the proposals which she is prepared to submit for the adoption of the Commonwealth. Seeing that the leaders of two of the parties in this House take up that attitude, it naturally follows that nothing will be done in connexion with preferential trade during the life of the present Parliament.

Mr. CONROY.—Is the honorable member not in favour of it?

Mr. WEBSTER.—I take up the same position now that I did during my election campaign. I say that when the mother country is prepared to submit her preferential trade proposals to the Commonwealth, and when she can show that our producers will be benefited by adopting them, I shall be ready, not to accept, but to consider them.

Mr. CONROY.—Why not "reject" them straight out?

Mr. WEBSTER.—I do not say that. I believe that the man who rejected such proposals before he understood the nature of them would be acting suicidally. The question is yet "in the air." There is no definite proposal before the House at the present time, and, to some extent, I deplore the action of the Prime Minister in cabling to England the announcement that Australia was practically prepared to adopt a system of preferential trade.

Mr. CONROY.—The honorable member does not think it was true?

Mr. WEBSTER.—What is the use of my "thinking" upon the matter, seeing that I cannot prove whether or not my thoughts are right? I prefer to work upon facts. Had the Prime Minister upon that occasion taken up the attitude which he did in the speech which he delivered upon the Address in Reply—had he stated his willingness to defer action until Great Britain submitted proposals for our consideration—I think he would have stood upon fairly solid ground. When, however, he took it upon himself to cable to England that Australia was proud to learn that the question of preferential trade was being advocated by Mr. Chamberlain, he went a step further than he should have done. The position which he now assumes is absolutely logical. He is prepared to wait until some definite proposals are laid before him.

Mr. DEAKIN.—I am obliged to wait; I do not wish to do so.

Mr. DUGALD THOMSON.—Mr. Seddon did not wait.

Mr. WEBSTER.—Mr. Seddon is in New Zealand. At the present time we are not dealing with Canada or New Zealand, but with the affairs of the Commonwealth, and therefore we are not called upon to consider what Sir Wilfrid Laurier has done in Canada, or what Mr. Seddon has accomplished in New Zealand. It is singular that throughout the whole of this debate we have been repeatedly assured by members of the Opposition that the Prime Minister was pledged to advocate preferential trade and fiscal peace. Some have urged that the two matters are antagonistic; I think so too. If the question of preferential trade is raised, fiscal peace is impossible. At the same time, I hold that the Prime Minister overstepped the bounds of propriety in defining his position upon this question before the voice of the people of Australia had been constitutionally expressed upon it through the medium of the ballot-box. In addressing the electors at Singleton, the leader of the Opposition said something to the following effect:—"If I am returned to power I intend to pull down a piece of the present fiscal wall in order to allow of the admission of the goods of the dear old mother country." But the right honorable member is well aware that there is no man in this House who can pull down a brick of that wall unless another brick is substituted for it.

Mr. DUGALD THOMSON.—We removed a good many bricks from it.

Mr. WEBSTER.—Yes; honorable members upon the Opposition side of the Chamber removed so many bricks that no more can now be spared. Under the operation of the Braddon section of the Constitution we are compelled to raise a certain amount of revenue each year.

Mr. CONROY.—That section merely regulates the distribution of revenue.

Mr. WEBSTER.—I sympathize with the honorable and learned member for Werriwa sincerely, since his leader has practically forsaken the flag which he has so long held up to the breezes of heaven. In the circumstances he really becomes worthy of my sympathy, and I extend it to him. In view of the provisions of the "Braddon Blot," it is a mere mockery for any honorable member to speak of pulling down a piece of the fiscal wall in order to allow "the goods of the dear old mother country to come in."

Mr. DUGALD THOMSON.—Exclusive duties do not raise revenue.

Mr. WEBSTER.—That is so. It may be that in drafting the Tariff the Treasurer provided for certain duties which were purely experimental.

Mr. DUGALD THOMSON.—And exclusive.

Mr. WEBSTER.—That might naturally follow. Any one who attempts to build up a Tariff of this kind must be prepared to find, with the lapse of time, that his judgment has not been confirmed exactly as he calculated. But that, after all, is only a matter of readjustment. All that can be done is to readjust any of the duties that do not perform the functions which, in view of the provisions of the "Braddon Blot," they were intended to carry out.

Mr. POYNTON.—It would be possible to take a brick or two off the fiscal wall.

Mr. WEBSTER.—Others would have to be substituted. The leader of the Opposition stated in his speech to which I have already referred, that if returned to power he would pull down a piece of the fiscal wall of the Commonwealth to allow the dear old mother country to send in her goods. A little later on, in the course of the same speech, he said that if he were not returned to power he would see that the Prime Minister of Australia carried out his policy to the letter, and imposed some substantial preference duties in favour of the dear old mother country.

Mr. KELLY.—The honorable member is not correct in his statement. The leader of the Opposition spoke of reducing the duties.

Mr. WEBSTER.—I am quoting in effect of the statements made by the leader of the Opposition. In the course of this remarkable speech, the leader of the Opposition went further, and said in effect—"If I am not returned to power, I shall be a stronger man politically than I should be if I were returned to power, inasmuch as I shall escape the responsibility of performing a very difficult task." What did he mean by that statement? He simply meant that if he were returned to power he would find it difficult to carry out his proposal to pull down a piece of the fiscal wall for the benefit of the dear old mother country.

Mr. POYNTON.—How does the honorable member know what the leader of the Opposition meant to infer?

Mr. WEBSTER.—I am quoting from the speech delivered by the leader of the Opposition, and I assert that in the course of that speech he clearly indicated that if the Opposition to-morrow took possession of the Government benches they would be in exactly the same position as that occupied to-day by the Ministry. After all, it is very largely a question of office with those who speak in this way with regard to preferential trade. In view of what I have heard from honorable members of the Opposition, I am satisfied of that. The honorable member for Lang yesterday addressed himself at length to this subject. He dealt with the matter in a very trenchant way, and quoted from speeches delivered by Mr. Chamberlain some years ago as an illustration of what Mr. Chamberlain was then and what he is to-day. But if I were to apply to other men the same standard of criticism, what would be the result? What would be said if I asked the honorable member for Lang to explain his present position in view of the fact that on one occasion three or four years ago he signed the Labour Party's platform, in which the fiscal issue was sunk as a matter of no practical importance when compared with socialistic legislation. I should refresh the honorable member's memory if I were to ask him what was responsible for his change of views in regard to the importance of the fiscal question—why he considers it of pre-eminent importance to-day, when a few years ago he was prepared to sign the cast-iron pledge of the Labour Party, and to sink this issue. An honorable member should take care before throwing stones to see that his own windows are strong enough to resist any stone-throwing in return. It is not a question of what was Mr.

Chamberlain's attitude nearly fifty years ago, but rather what the necessities of to-day demand of him as a protector of the interests of the Empire in which he occupies so notable a position. I do not anticipate that the question of preferential trade will be brought forward during the life of the present Parliament, or indeed that, for practical purposes, we shall hear any more of fiscalism in this House. If that be so, we shall be able to pass some good useful legislation for the benefit of the Commonwealth. We do not want to see the eternal fiscal controversy, which formerly characterized the proceedings of the States Parliaments, perpetuated in this House. Another matter to which I desire to refer is the importation of Chinese. I wish to direct the attention of the Prime Minister to the fact that the Chinese are pouring over the borders in large numbers, and taking possession of many back-block towns remote from active centres of population. I do not know how it is possible for this to occur, but I know that it is taking place. These Chinese are undermining not only the workmen of these districts, but actually the shopkeepers and tradesmen. This is more particularly the case in certain towns in New South Wales. It is deplorable to find that men who had a kindly feeling towards Chinese when they employed them as servants are to-day beginning to realize what California realized all too keenly years ago—that the man who is your servant to-day may be your master to-morrow. We find that in certain parts of New South Wales the Chinese are practically usurping the position of shopkeepers. They evade every law—as they alone can—and are increasing in a way that should be arrested. I should like to see the Immigration Restriction Act enforced in its entirety so that this leakage of undesirable aliens into the various States may be effectually stopped.

Mr. DEAKIN.—It is part of a general movement from the north towards the south and west. The Chinese to whom the honorable member refers have not just entered the country. They are Chinese who speak the English language, and have been here for some time.

Mr. WEBSTER.—I am informed that this invasion of the Commonwealth by Chinese takes place in this way: The steamers coming here bring a number of Chinese in their crews, and discharge these men at the first port they come to, taking them on as passengers to the next port. Upon arrival there the men can simply walk

ashore without being subjected to the payment of a poll tax or having to pass the education test.

Mr. DEAKIN.—The steamship companies are obliged to take away as many men in their crews as they bring here, so that the number of Chinese in the Commonwealth is not being added to, even if the practice to which the honorable member refers is taking place.

Mr. WEBSTER.—It is true that these steamers take away the same number as they bring, but the men who originally come here under signed articles for the first port land as passengers at the next port, and consequently escape the imposition of a penalty and the application of the education test.

An HONORABLE MEMBER.—Possibly the inspection is insufficient.

Mr. WEBSTER.—That may be so. The inspectors have too much to do to attend to all the duties which are part of their functions. I trust, however, that so far as the Commonwealth is concerned, all legal restrictions will be imposed to stop the invasion of our States by Chinese. Another matter to which I wish to refer is the action of the Government in transferring the duties of electoral officers to the Postal Department. I find that non-official postmasters were appointed registrars, and charged with very heavy duties during the recent elections, without receiving any additional remuneration for the work they performed. In any case, the payment given to those who undertake the onerous duties devolving upon non-official postmasters is inadequate. The Commonwealth administration is certainly a penurious one so far as those men are concerned. But to impose upon men who are receiving, perhaps, £5 or £10 a year for acting as postmasters, the duties of electoral registrars without extra payment is nothing less than disgraceful.

Sir JOHN FORREST.—Is the honorable member referring to the postmasters in the Department?

Mr. WEBSTER.—No; to the postmasters who are not in the Commonwealth Public Service. The official postmasters have been paid for their services in connexion with the administration of the Electoral Act; I am speaking of the treatment accorded to non-official postmasters—to men who are in charge of post offices, but who are not technically public servants. They are entitled to special consideration for the duties they performed in connexion with the recent elections.

Sir JOHN FORREST.—Have they not received the same treatment as other post-masters?

Mr. WEBSTER.—No.

Mr. WILLIS.—They are all badly paid.

Mr. WEBSTER.—They are inadequately paid for the duties they perform as post-masters, and the fact that they have received no additional remuneration for the work done in connexion with the recent election does not reflect credit upon the Commonwealth.

Sir JOHN FORREST.—We are ready to listen to reasonable complaints; but they have not yet submitted any.

Mr. WEBSTER.—Perhaps they are waiting because they are not quite sure how long the Government will remain in office, and wish to know before they do anything with whom it will be necessary to lodge their petitions. I do not intend now to deal with the regulations issued by the Defence authorities, or with matters of that kind, though as an old volunteer I know something of the administration of the Defence Department. The other night, however, when proceeding from this House about 9 or 10 o'clock, I marvelled to see, close to one of the gates of the Fitzroy gardens, a recruit being put through his drill by two officers. It may be that the Minister, in view of the scare about a war which is being raised by the newspapers, and feeling the need to prepare for emergencies, is trying to develop as quickly as possible the material with which he hopes to defend the Commonwealth; but I hope that this numerical superiority of officers is not characteristic of the Defence Force generally. If it is, the military estimates will be subjected to very heavy criticism when they are put before us. From what has been said by other speakers, I think that we have grave reasons for suspecting the methods of the Defence Department, and that we shall have to severely criticise the administration of the Department because of the officialdom which seems to rule supreme there. In conclusion, I hope that we shall at an early date arrive at a decision in regard to the Arbitration Bill. After all, politics is a matter of compromise, and I hope that the Prime Minister will see the wisdom of not drawing a strict line as to the classes affected by the Bill. I believe that it will be to the best interests of those employed by the States to come under the provisions of the Bill.

Mr. DUGALD THOMSON.—Why does not the Labour Party compromise?

Mr. JOSEPH COOK.—Why should they? They possess the driving power.

Mr. WEBSTER.—The leader of the Opposition has compromised very materially since the meeting of this Parliament. No doubt the honorable member for Parramatta knows the value of the driving power which the Labour Party possesses. At any rate, he was at one time in a position to do so. I do not say that we intend to compromise; but in the interests of those who are excluded from the operation of the Arbitration Bill, I appeal to the Prime Minister not to draw too strict a line. I cannot see that there is a justification for the exclusion of public servants from the operation of the provisions of the Bill.

Mr. DEAKIN.—The matter has not been argued out here yet.

Mr. WEBSTER.—Not this session; but I have read the arguments used last session, and have drawn my conclusions from what was said then. When the Arbitration Bill is out of the way, I think there will be nothing to prevent an amalgamation of parties which will enable the business of Parliament for the session to be carried through with credit to ourselves and to the advantage of the country we have the honour to represent.

Mr. HIGGINS (Northern Melbourne).—Having listened to the speeches of the new members of the House, I feel that we are to be congratulated upon the addition to our debating power, and in the case of the last honorable member, upon the acquisition of a speaker possessed of a new vein of originality and good humour. I wish to say a few words in regard to the Governor-General's Speech. For a speech delivered at the opening of a new Parliament, it cannot be described as very exciting, or as containing any very novel proposals.

Mr. POYNTON.—The proposal for old-age pensions is novel.

Mr. HIGGINS.—Yes, but there is to be no legislation on the subject until next Parliament. I am concerned with what this Parliament has to do. The speeches of the Prime Minister and of the leader of the Opposition, however, contain something which, if not novel, was at least interesting, though as the self-made merchant said to his son—

Repartee makes lively reading but dull business, and what the house wants is more orders.

I suppose that if we were to paraphrase that advice we would say that what this country wants is more markets for its produce. I

cannot see much guidance to these markets yet. The opening speech consists principally of the unpassed Bills of last Parliament, and illusory hopes for the present Parliament. There is the usual bow to the great farming interests, and to the other leading interests, but one cannot see exactly that there is more than a bow. There is a hope of bounties to the farming interests, but nothing about what the bounties are to be. There is a hope of increased facilities of transportation; but nothing to show the mode by which transportation is to be facilitated. There is the usual bow to the working classes, not only with regard to the Arbitration Bill which was before the House in the last Parliament, but also with regard to old-age pensions. It is hoped that a uniform system of old-age pensions throughout the Commonwealth will be established upon the taking over of the debts of the different States. The taking over of those debts, according to the Treasurer, cannot be achieved until the Constitution has been amended, and the Constitution cannot be amended, as he says, until the next elections are held. So that it does not need much logic to come to the conclusion that the question of old-age pensions is not within the pale of practical politics at the present time. Then there is the usual bow to the commercial and producing interests with regard to preferential trade. In the opening speech of last session there was some allusion to this question, and in this speech we find a reference in a more specific form. But the great mover towards preferential trade in England, Mr. Chamberlain, has admitted publicly that he does not expect to carry his proposals at the next elections. That does not appear to be sufficiently recognised. If the leader of the movement does not expect to win at the next elections, and if the Prime Minister tells us that he means this to be a matter of bargaining with the home country, where does preferential trade come in for this Parliament?

Sir JOHN FORREST.—He may win, but he is not sure.

Mr. HIGGINS.—I never yet knew a general to succeed who went into the fight saying that he would not win. Of course, to Western Australia, that great colossus of the west, there must be a bow, or else no Government could hold its own. It is stated, in the speech, that a certain line is to be surveyed.

Sir JOHN FORREST.—That is since the visit of the honorable and learned member.

Mr. HIGGINS.—Yes, I went over to Western Australia; but, fortunately for me, I had not to travel across the sand between Kalgoorlie and Port Augusta. I find that the Government has gone so far as to announce a Bill for a survey of the line. There is nothing to show that South Australia has given its consent, and without that consent nothing can be done towards the construction of the railway; to say nothing of other difficulties with which I shall deal when the time comes. All I say is that it is not within the pale of practical politics at the present time.

Sir JOHN FORREST.—The honorable and learned member is wrong.

Mr. HIGGINS.—I do not wish to get into an argument with the right honorable gentleman, who could crush me at once without any scruple or difficulty. Then I find, from the opening speech, that there is a hope of immigration. There is no more than a hope. I do not blame the Ministry for making no proposal. No Federal Ministry can properly promote immigration; it has not got the materials. It is forgotten, I think, sometimes that in the United States the Federal power started off with the control of the great area of prairie lands in the west. The success of an immigration project depends upon the availability of land, and until the proper authorities buckle to and determine to get over the difficulties with regard to land settlement, until they can show people who are thinking of coming to Australia that they can get land or work, it is of no use for them to talk about promoting immigration.

Mr. DEAKIN.—They can get land now in Western Australia.

Mr. HIGGINS.—I have gone through those glorious hills that surround Bunbury, and I have seen as good land there for 10s. an acre, on long payments, not carrying interest, as land for which one would have to pay £10 an acre in the market here. I believe that arrangements have been made by the Government to bring intending selectors to the land, and to pay their fares. I should not wonder if they also gave a free lunch, because my experience has been that free lunches are the rule in that State. It does provide facilities to people for getting land, but for some inexplicable reason there is a general impression that the State is an arid waste. It is nothing of the sort. It contains great wastes, but there is a very fine area of splendid land in the south-west. I do not wish

to be drawn into matters of detail. No thoughtful man can but be impressed by the want of increase of population from immigration, and the want of increase of population from ordinary growth. I think that both phenomena are the result of practically the same root cause—the difficulty of finding work, and the difficulty of getting access to land. If parents could see that their progeny would have a decent chance of living without the worry, wear, and anxiety to which they themselves have been exposed, there would not be this continual cry about restriction of population. There is a reference in the opening speech to a contract with the mail steamers. The outlook is not good. I fear very much that the Ministry, unless they look out, will be shoved into a corner.

Mr. JOSEPH COOK.—They are practically in one now.

Mr. HIGGINS.—I hope not. I am sure that the honorable member will rise above party feeling, as he always does, and recognise that it is not well for this country to have its Ministry driven into a corner in regard to its mail contracts. I sincerely hope that the Ministry will not yield to the well-meant suggestions to amend section 16 of the Post and Telegraph Act until we see further how it works. We ought not to alter our policy for the mere reason that in London and elsewhere ignorant critics, basing their remarks on ill-natured and mendacious reports from here, oppose the provisions which we put into our Acts. We deliberately adopted that provision in the Post and Telegraph Act, and we ought to keep to it. Let us not wobble from one thing to the other. If we think that the claim is right I think that the House would be willing, even if it had to pay more for its mail service for a time, to fight the combination which at present is working to prevent the application of this particular provision.

Mr. BAMFORD.—There is no necessity for that.

Mr. HIGGINS.—That may be. But I am looking at the matter in its worst possible phase. I believe that the House will back up the Ministry if they show a determination to carry out the present policy until it is proved to be wrong. I hope that the Government will not waver with regard to the introduction of contract labour into the Commonwealth. Here, again, I am sorry to say that some men who have proved themselves to be utterly disloyal to Australia have sent to England ill-founded,

coloured, and mendacious reports with regard to the six hatters, the *Petria* case, and so forth. All those who are acquainted with the facts know that these reports have been unfairly coloured, and it was pitiable to see the extent to which Sir Frank Swettenham, formerly the Governor of the Straits Settlements, was misled by what he read in the *London Times* or some other newspaper. We ought to know what we want, and to stand to our guns, refusing to be influenced by the criticism of strangers who are unacquainted with our circumstances. If we do this we shall earn the respect of our neighbours.

Mr. CONROY.—Then we ought not to criticise others, as in the case of the introduction of Chinese into the Transvaal.

Mr. HIGGINS.—Others are free to criticise us, and we are free to criticise them. If we were justified in interfering in the affairs of the Transvaal when it was not a British possession, how much more title have we to do so now when it is.

Mr. CONROY.—Then the people of the Transvaal would have an equal right to interfere with us.

Mr. HIGGINS.—I wish that the Ministry had shown more vim, more strenuous effort, with regard to the question of the admission of Chinese into the Transvaal. Their protest was too lady-like. Whatever faults Mr. Seddon has—and, to my mind, he was greatly misled a few years ago—he has thrown all his rough and rude force against this iniquity. I decline to treat the present Government of the Transvaal in the same way that I would deal with the responsible Government of a self-governing colony. I look, as Mr. Seddon has done, straight to the power behind the throne. We all know that Lord Milner has practically a number of marionettes who do his will—that it is his will which governs in matters of the kind referred to, and that Downing-street is behind him. Although it is unlikely that our protest will have much effect, we were perfectly right to speak our mind. We are called upon to contribute to the navy of the Empire, and, as we also contributed to the subjugation of the Transvaal, we should be allowed to have some say as to the use to which that country is to be put. Where the coloured races go white labour cannot exist under prosperous conditions. The same condition of things that exists in South Carolina and Alabama will soon be brought about in the Transvaal. In those American States, only a few degraded

whites exist alongside the masses of coloured workers.

Sir JOHN FORREST.—There are already millions of blacks in the Transvaal.

Mr. HIGGINS.—Of course there are; but that is no reason why millions of yellows should also be imported. We should not transfer the Chinese from their proper place. Up to 1899 we were told that the object which the British Government had in view was to give white men the franchise, and to make the Transvaal a place in which white men could live. Now, however, we find that there is no franchise at all, and that the white men are being driven out of the territory. I feel that Mr. Seddon was fully justified in the language he used, which was direct, blunt, and strenuous. He said—

I boldly say, however, that whether the Australasian Colonies gave little or much help to South Africa during the Boer war, that help would not have been given if it had been dreamed that its effects would be to enable white labour to be excluded or penalized, while Chinese or other Asiatics are to be introduced and encouraged.

The principal work we have before us is the consideration of the Conciliation and Arbitration Bill, the Navigation Bill, the Federal Capital Site question, the Papua Bill, the Trade Marks and Copyright Bill, the Quarantine Bill, and a measure dealing with Rings and Trusts. The Governor-General's speech, however, omits reference to what I regard as the most interesting—I do not say the most important—item relating to the political situation, although it has evidently been the chief matter in the minds of the party leaders. I refer to the fact that we have three parties of nearly equal strength in this House. I do not say that this is the most important matter, because experience has shown that responsible Governments have often been conducted for the peace, order, and good government of the country, even with three parties of equal strength in the Legislature. The Prime Minister has used a cricketing analogy, and has asked how matters could be managed, if there were two cricket teams in a field and a third came in to interfere. The Prime Minister must acknowledge that that analogy ought to be used only by mere politicians and not by him, because I decline to recognise that the game of politics is one of "ins" and "outs" between two teams. It is quite possible, even with three parties in the House, for the Government, relying upon the average good

sense of the House, to carry out a useful programme, and that is what I hope may happen in this case. At the same time, I feel that there is a danger in having one party which has not taken any share of the work of Executive Government, and which does not expect to do so for the present, and, therefore, is not called upon to face the responsibility of carrying out the Government of the King.

Mr. CARPENTER.—Every honorable member has a share of responsibility.

Mr. HIGGINS.—Yes. But the honorable member must recognise that a great deal more responsibility and anxiety is felt by those who have, as the Executive, to carry out the policy of the country for the time being.

Mr. CARPENTER.—They have added responsibilities as Ministers, but not as the members of parties.

Mr. HIGGINS.—The members of the Government have to administer the affairs of the country under all kinds of conditions, and a most difficult and responsible task to perform. It is a misfortune for a country to have a large and solid party which has not felt the pressure of such a responsibility. I do not like the cricketing analogy, but I should prefer to compare the Labour Party to a young horse, full of oats, which has not been in the shafts, and has not had to pull the load, and which is very apt to be restive and refractory.

Mr. CARPENTER.—Then it is time that the members of the Labour Party had Ministerial experience.

Mr. HIGGINS.—Very likely it is. The best friends of that party, and even perhaps some of its foes, would like it to feel the responsibility of pulling the political cart up the hill. It would be one of the most wholesome correctives to extravagance of which I can conceive. At the same time, it is only due to the leader of that party that I should say that, in my judgment, a great deal of the success which it achieved at the recent elections was owing to his strong good sense, his collectedness, and his attention to the business of the House. I do not think that the power of that party—because we must recognise its power—will be misused, so long as he has control of it.

Mr. WILLIS.—Was the Labour Party not successful owing to the presence of two other parties in the field?

Mr. HIGGINS.—There is no need to have two other parties. Now that the

Tariff question has been disposed of, surely we must recognise that there is nothing between the Ministerial and the Opposition sides of the House, other than the table ! There are more differences of opinion between individual members of the Opposition than there are between members of the front Ministerial and front Opposition benches. Similarly there are more differences between Ministerial supporters themselves than there are between the political views of Ministerialists and Oppositionists. Honorable members, however, must recognise that there is a distinction between two parties, although it has not yet been officially displayed. There is a distinction between the party which favours State action, and the party which does not, or between the party which favours much State action, and that which favours little. There is a wide gulf, I repeat, between the party which is in favour of the cautious, steady, sober, application of the powers of an organized community, and the party which is not. I will put one more qualification, by saying that there is a big gap between the party which seeks to apply the powers of the State to the whole of the people, and that which seeks to apply them to only a few. I was travelling not long since with a friend who afforded me a very good illustration of what I mean. He opened the conversation by declaring that we are suffering from too much legislation. "Why not shut up the talking shop," said he ; "we cannot raise our hands without finding that we are interfered with by some law or other." We then passed on to the discussion of other subjects, and after a brief interval, my friend began to impress upon me the extreme importance of passing a law providing for the payment of a bonus to an industry in which he was interested. I replied—"I thought that you were opposed to State interference in these matters." "Oh, yes," said he, "but not to that class of legislation." Whatever we may think, I hold that it is one of the healthiest signs of the present position that the party which is most strongly in favour of State action is least in favour of the flotation of loans—is the least disposed to ask for borrowed money.

Mr. CARPENTER.—That is a very good sign.

Mr. HIGGINS.—It is one of the healthiest of signs. There is not the slightest doubt that the greatest incentive to the spending of borrowed money comes from

those persons who are most opposed to the Labour Party. The demand for the expenditure of loan money does not come from the labouring classes in the towns, or from their leaders, but from the outlying agricultural districts which are far removed from the centres of civilization, and which, naturally, require far more of the assistance of the State. One factor, however, is wanting. We need a more specific and direct disapprobation of the wretched loan system. The position also requires us to face the Public Service problem, because the greater the area of State action, the larger will be the number of our public servants, and the more pressing will the problem become. No one can consistently ask for an extension of the powers of the State unless he is prepared to devote his intelligence towards devising a system under which the Public Service shall automatically work out the best results.

Mr. DEAKIN.—Can any control of human beings work automatically to obtain the best results from them ?

Mr. HIGGINS.—Perhaps the term "automatically" is not strictly correct. What I mean is that changes are constantly occurring in the Public Service, and that there are thus questions of promotion and transfer continually arising as the result either of resignation or death. I say that we must face the problem of how, without provoking discontent, without permitting a charge of favoritism to be raised upon one side, or allowing of promotion by the dead stony rule of seniority on the other, we may have a public service which will work reasonably well and to the content of its members. It is a desirable thing to make our public servants contented. One of the greatest blunders which has been committed by the Victorian Government is that of separating its public servants from the rest of the community by giving them separate and distinct interests. Such action has led to the consolidation of the Public Service of this State. Previously its interests were scattered. Unfortunately the Victorian Government has now consolidated it into voting for itself. Talk about class legislation ! What worse class legislation can there be than that which results from class legislators ? I come now to the question of the transfer of the States debts. I do not think that much has been said upon this subject by previous speakers. I have had the advantage of carefully reading the papers which were presented to the Conference of States Treasurers by the Federal Treasurer and Sir Frederick

Holder. I find that the Treasurer proposes to have the Constitution amended at the next election, and subsequently to take over the whole of the State debts. During the sittings of the last Parliament I foresaw something of this sort, and upon three occasions I endeavoured to induce the Government to afford time for the discussion of a motion which I had submitted bearing upon the subject. The then Prime Minister, Sir Edmund Barton, promised to afford me an opportunity to move the motion, but unfortunately arrangements could not be made to that end. What was the result? I had hoped to obtain the Treasurer's view of the position, and to endeavour to work in with it. Unfortunately, however, no time was available for the discussion of the motion, and as soon as Parliament had been dissolved and the elections had taken place, the Treasurer called a Conference of Treasurers and said to them—"We cannot do anything until we have a referendum at the next elections upon the question of an amendment of the Constitution." If an amendment of the Constitution be necessary, it is a pity that it could not have been submitted to the people at the last general elections, because the problem is a pressing one. Every year during which it remains unsolved loss is occasioned to us, and I contend that it should be grappled with at once. I agree that the present provision in the Constitution with regard to the taking over of the States debts is unworkable and impracticable; and in this respect I share the view expressed by the Treasurer. It provides that we can take over all the debts, or a certain proportion of them in equal proportion to the population. The form in which that provision was inserted in the Constitution was due to the jealousy of the States. The feeling at the Convention was that the Federal Parliament could not be trusted to take over, say, the debts of Tasmania, and not to take over the debts of New South Wales; or to take over the debts of New South Wales and to avoid taking over those of Victoria. It was said at the Convention that equal consideration must be shown to all. But the proposal of the Treasurer is that we should take over all the debts *uno flatu*. That proposal is obnoxious to the criticism of Sir Frederick Holder, who has shown, in a short and able paper, that by taking over the debts of the States we should make a handsome present to the bondholders, without receiving anything in return. Let me furnish the House with an example. The experience of Canada is that the bonds of the Dominion are of greater

value than those of the individual Provinces; that the 3 per cent. bonds of the Dominion may be worth £100, and the 3 per cent. bonds of say Manitoba, worth only £92, showing a very substantial margin of £8. That is a margin on which it should be possible for us to bargain.

Mr. GLYNN.—In Canada the lands and the railways are held by the Dominion.

Mr. HIGGINS.—That does not affect my argument.

Mr. GLYNN.—Then as against the Dominion debt of £68,000,000 the debts of the Provinces amount only to about £8,000,000.

Mr. HIGGINS.—I admit that the honorable and learned gentleman is a veritable encyclopædia of information, but at this stage I wish only to put one fact. Rightly or wrongly, there is a tendency, which will be operative in the case of the Commonwealth, to place a higher value on the bonds of the larger organizations, than upon those of the smaller ones. I have not the slightest doubt in that regard. I am dealing not with what honorable members may think ought to be the case, but with what are the facts, and it will be found, unless something happens which cannot be foreseen, that the Commonwealth securities will be regarded in London as being of more value than the bonds, say of Victoria, Western Australia, or indeed, of any other State. They will be more sought after than will the bonds of the States. Let us suppose for a moment that a 3 per cent. Commonwealth bond is worth £100 and that a 3 per cent. South Australian bond is worth only £92. In that event we should have a margin of £8 between the two.

Mr. G. B. EDWARDS.—The margin would be greater.

Mr. HIGGINS.—I hope that I shall not be interrupted in regard to mere details. I am stating a case which is milder than that which I am entitled to put forward. I know, of course, that sometimes the margin will be greater, but let me keep to that which I have stated. If, in these circumstances, the Commonwealth took over the South Australian bonds, it would give a present of £8 in the £100 to every bondholder.

Mr. G. B. EDWARDS.—It would depend on the way in which we took over the debts of the States.

Mr. HIGGINS.—I am putting the matter before honorable members in this simple form. If the Commonwealth made one of

these South Australian bonds a Commonwealth bond, then, all other things being equal, it would make a present of £8 to the bondholder.

Mr. DUGALD THOMSON.—It would if there were a difference of £8 between the two.

Mr. HIGGINS.—I am assuming that there would be that difference. I consider it very probable that there will be a difference, and I think that the suggestion which you, Mr. Speaker, embodied in your paper, and which you also submitted to the Federal Convention, should if possible be carried out. The suggestion was that we should be able to say to the holder of a South Australian bond, which is not to mature for some years to come—"If you like to accept for the State bond, worth £92, a Commonwealth bond for £95 or £96, we will give you that Commonwealth security, but otherwise we shall not do so." Accepting these figures, the adoption of this system would be, of course, a distinct gain to South Australia, which would thus have a debt as regards the bond in question of only £95 or £96, in place of one of £100. The difficulty is that the proposal, although most desirable, is impossible of fulfilment under our Constitution. The section which provides for the taking over of the debts of the States does not allow us to make bargains of this description. We must take over either the whole of the debts or a proportion of them. But what we must all desire, and what would be eminently to the advantage of the States and the Commonwealth, as a whole, is the power to bargain. For my own part I think that an effort ought to be made to amend the Constitution, and to amend it in a much wider way than that suggested by the Treasurer. His proposal is merely that the Constitution should be amended so as to allow the Commonwealth to take over the States debts which have been incurred since the establishment of Federation, and which amount to about £25,000,000 or £26,000,000. I consider that we should have an amendment of the Constitution—and I fancy that the people would readily grant it—to the effect that the Parliament may take over all or any part of the public debt, with the consent of the holders, on such terms and conditions and in such manner as it thinks fit. I believe that the people of Australia are accustomed to large undertakings, and are not averse to them.

Mr. JOSEPH COOK.—I think that they would give us anything that we desired in that direction.

Mr. HIGGINS.—I believe that the honorable member is quite right. The jealousy of the States, the fear that one may get an advantage over another, is unfounded. There are forces at work which will prevent unfair dealing. We can see how the Government are driven to try to placate the feelings of each of the States. There is a strong tendency on the part of all Governments to approve their conduct to the people. I take it that nothing can be done in this matter without an Act of Parliament, and that the people are willing to trust us with it as they have trusted us with other powers. Their sense of the fairness of honorable members, and of the competence of the Government, no matter what Ministry may be in power, will be sufficient to induce the members to give us their confidence in regard to the carrying out of this great undertaking. Of course, it would not be fitting for me to deal with the subject more elaborately at the present time. It is one to be worked out more by discussion between financiers; but some alteration in the direction I suggest is most desirable. It may be objected that it would not be fair to bondholders to convert some loans, and not to convert all; that bondholders may complain if debts due to others are taken over by the Commonwealth while their own debts are not taken over. I do not agree with that contention. It is purely a matter of bargaining. So long as we in this country perform our undertaking to the bondholders of England, or elsewhere, to repay principal and interest, we shall do all that we can be justly asked to do. We have no concern with market conditions any more than directors have to consider the effect of their action upon a market. We must consider only the best interests of the country.

Mr. MCWILLIAMS.—If we fulfil our undertakings, the bondholders cannot complain.

Mr. HIGGINS.—Exactly. If we repay £100 and interest for every £100 borrowed, and do not deprive investors of any of their security, we cannot be asked to do more. There is nothing to prevent us, however, from going to a bondholder, and saying to him—"You hold a bond for £100. It is now worth only £92; but we are willing to give you £95 for it if you will take a Commonwealth bond in exchange."

Mr. WILLIS.—Perhaps the bondholder may say that the bond is worth £100.

Mr. HIGGINS.—Of course, the Commonwealth Treasurer will ask Parliament to allow conversion only in cases in which he considers the market suitable. However, I feel that I have said enough upon the matter now. I hope that more strenuous efforts will be made to carry out this very important intention of the Constitution. My hearty support will be given to any amendment, no matter how drastic, for the taking over of the debts of the States which will enable this Parliament to deal justly and freely with the matter. We require a free hand, however, and if we get it we shall be able to make a good bargain. I have something to say in regard to the proposed appointment of the Inter-State Commission. The honorable member for Gippsland made some wise and weighty remarks upon that head. I said, last Parliament, and I repeat now, that the appointment of the Inter-State Commission is not necessary at the present time. Complaints have been made as to unfair practices on the part of the Governments of the States, but such practices could all be stopped with the aid of existing machinery. For instance, I was told yesterday that the Victorian Government pay back to Gippsland coal companies $\frac{1}{4}$ d. a ton by way of rebate on railway freight; that a certain sum is charged for the carriage of coal from Gippsland to Melbourne, and that the Victorian Government place upon the Estimates an amount which will repay a part of that sum to the coal companies. I have no hesitation in saying that that practice is equivalent to the giving of a bounty within the meaning of section 90 of the Constitution, and as such is illegal and could be stopped if the proper steps were taken. I venture to say, too, that if the Victorian Government were properly approached by those interested, and were shown that they are violating the provisions of the Constitution which binds them as well as us, they would stop what they are doing. If they did not, they could be restrained by the ordinary processes of the ordinary courts. Under the Constitution, the States have the power to give bounties for the production of metals such as iron and gold, but they have not power to give bounties for the production of minerals such as coal. It was upon my motion that that provision was inserted in the Constitution. To give $\frac{1}{4}$ d. per ton to the Gippsland coal

companies by way of rebate is distinctly to grant an illegal bounty, and could therefore be restrained. The only matter in which the Inter-State Commission is required to act is as to preferential railway rates under section 105 of the Constitution.

Mr. ISAACS.—How would the honorable and learned member deal with the case of the Victorian Government accepting a reduced freight?

Mr. HIGGINS.—Of course, the Victorian Government does not carry the coal; it is carried by the Victorian Railways Commissioners.

Mr. ISAACS.—It amounts to the same thing. Suppose that the Railways Commissioners accepted a reduced freight?

Mr. HIGGINS.—Assuming that it could be shown that the Victorian Government was carrying Victorian coal at a cheaper rate than other coal, with a view to giving it a preference, that action would be equivalent to the granting of an illegal bounty. At all events, that is my present opinion, though I do not give it dogmatically. But nobody, except the Inter-State Commission, can deal with preferential railway rates.

Sir JOHN FORREST.—It might be argued that certain coal is not so valuable as other coal, and therefore could be carried only at cheaper rates.

Mr. HIGGINS.—The right honorable gentleman is, no doubt, now giving us the secrets of the Colley coal. At the present time the number of preferential rates, as distinguished from differential rates, is very small. On three occasions during the existence of last Parliament I asked the then Minister for Home Affairs what instances he could give of preferential railway rates, and each time I was told that he would let me know; but he did not. I think that he is not aware of any preferential rates. At all events, I am entitled to assume as much, having asked three times for the information. No doubt the creation of the Inter-State Commission is mandatory under the Constitution; but its immediate creation, or its creation within a year, is not mandatory. Our prophecies with regard to the mistake in urging the creation of the High Court immediately have been largely fulfilled. Now it has been created, we must stand loyally to it, and give it all the moral support we can.

Mr. THOMAS.—The Government asked for five Judges instead of three.

Mr. HIGGINS.—Now that the creation of the Inter-State Commission is being made

a live question, honorable members will ask the Ministry to prove the need for its immediate creation.

Mr. THOMAS.—Let the High Court Judges act as Inter-State Commissioners to fill up their time.

Mr. ISAACS.—There is an appeal under the Constitution from the Inter-State Commission to the High Court.

Mr. HIGGINS.—In conclusion, I am grateful to the House for the hearing that has been given to my remarks. I hope to be able to say what I wish to say upon the Arbitration Bill when that measure comes before us.

Mr. KELLY (Wentworth).—I had not intended to address the House until I had become sufficiently conversant with its usages not to trespass overmuch upon the patience of honorable members. As each one of us has at some time been a new member, I need hardly say that it is with quite a painful amount of diffidence that I rise upon an occasion of this kind. But I should be failing in my duty if I omitted to combat opinion expressed in this House antagonistic to certain interests with whose special representation I am intrusted. In my constituency reside nearly the whole of the members of the New South Wales permanent force. There are, of course, corps situated in other electorates, but most of the men live in the Wentworth division. Now, the New South Wales permanent Defence Force has been cut down by almost one-half since the inauguration of the Commonwealth.

Mr. PAGE.—And it wants cutting down again by one-half.

Mr. KELLY.—In spite of the fact that at the present time there are hardly enough gunners to man the guns which guard Sydney from attack by sea, in spite of the fact that the military estimates have been reduced below what the Government themselves regard as essential to the public safety, honorable members are calling for still further retrenchment.

Mr. PAGE.—Hear, hear.

Mr. KELLY.—Perhaps they are quite qualified to form a judgment upon this matter; but surely I may appeal to their good sense in regard to it. The Government have engaged the best military advice available. They decided to establish a citizen soldiery, and asked the advice of their military officers as to the nucleus of regulars necessary to train the new force to act efficiently in the field, and as to the auxiliary departments needful to make it mobile and easily

organizable. Those officers gave their advice. But at the bidding of the third party in this House the estimates of expenditure framed in accordance with it were cut down below what almost every one regards as essential to the public safety.

Mr. PAGE.—The party to which the honorable and learned member belongs voted for the reduction.

Mr. CONROY.—And would again, I hope.

Mr. KELLY.—I think that the honorable member for Maranoa also voted for it.

Mr. PAGE.—Yes, and I would do so again.

Mr. DUGALD THOMSON.—The Government gave way without taking a vote.

Mr. KELLY.—The honorable member for Maranoa must surely possess military knowledge and qualifications beyond that of the Commander-in-Chief if he is willing to allow the estimates of expenditure to be reduced to an amount below what that officer regards as the requirements of the public safety. It would be far more reasonable to dispense with the services of the general staff, to sacrifice guns and gunners, and to keep only the third party as a warning to all comers. Why is it, I wonder, that the third party always assumes to possess special military knowledge?

Mr. DEAKIN.—Because they are the only party with military discipline.

Mr. KELLY.—I believe that they are the only party without a conscience. That is another way of putting the matter. I have listened to the members of the Labour Party with very great attention, and although I may not agree with them—

Mr. PAGE.—Is the honorable member serious?

Mr. KELLY.—It is not necessary to speak with the voice of that animal which is mainly marketable for its hide and horns. Although I have listened with immense interest to what my esteemed friends have had to say on this matter during the course of this debate, they have not quite succeeded in converting me.

Mr. McDONALD.—That is the honorable member's misfortune.

Mr. KELLY.—Perhaps it is my misfortune, but, at the same time, I believe it to be the country's good fortune. The honorable member for Hindmarsh brought an immense amount of military lore to bear upon this subject. He spoke at considerable length, and ultimately succeeded in convincing me upon one point; and that was that it was hardly expedient for the Commonwealth to any longer retain the services of the General Officer Commanding, whilst it could

command those of so talented a gentleman, speaking in a military sense, as the honorable member. For twelve years he had been a private in a Scottish volunteer regiment.

Mr. HUTCHISON.—The honorable member is wrong again; he does not know what he is talking about.

Mr. KELLY.—Possibly it was only the honorable member's modesty which deterred him from telling the House that he was a private. I do not want to say anything that would hurt his feelings, but I understand that he was recommended for a commission, after having served twelve years. I am sure that, after having spent that length of time in a Scottish volunteer regiment, he must be eminently qualified to take up the position of General Officer Commanding. In view of the facts I have placed before honorable members as to the condition of the defences of the great cities of the Commonwealth—and I think that most people will agree that the principal danger this country has to fear is a sudden raid on our great cities—I hope that they will recognise that it is absolutely necessary to still retain what permanent forces we have, if only for the purposes of manning our forts and of affording an instructional nucleus. I know that in Sydney the forts have been absolutely neglected, and that we have not a sufficient number of gunners to man our guns. If that be so, I take it that all the money that has been spent upon those defences is so much waste. Therefore, I cannot too emphatically protest against any further reduction of the military vote. The honorable member for Bland gave us a most concise and clear account of what is regarded throughout the country as Labour Party legislation. No one can respect more than I do a great deal of the legislation for which the Labour Party is responsible; but the leader of the Labour Party was dealing with some of the new measures upon which that party has placed its stamp of approval. The honorable member spoke at considerable length upon the subject of the English mail contract; but I think that he missed the main point, namely, that the question was one entirely of expediency. Undoubtedly, the Commonwealth has an absolute right to do what it wills with its own money; but the question is whether it is acting with expediency in connexion with this mail contract. I was disappointed that the honorable member did not

address himself to that aspect of the question. He mentioned that there were several steamship companies trading through the Red Sea which employed only white labour throughout their services. Perhaps it would be hardly fair to refer to the fact that he named the Lund line in this connexion, since he afterwards admitted that that line travels around the Cape. However, he mentioned the Orient Company, and I would ask him to take my assurance, given upon the best authority in Melbourne, that the Orient Company have not, for the last six months, employed white labour throughout in any of their ships.

Mr. WATSON.—That does not advance the argument. The change was made only recently.

Mr. KELLY.—The last steamer employing white labour throughout was the *Orestes*, which reached Sydney in July last. Upon her arrival twenty-three firemen and stokers had to be imprisoned for insubordination during the voyage. It is contended by these companies that it is impossible to properly control their crews when white labour solely is employed. I should like to read from a letter by Sir Thomas Sutherland, the Chairman of Directors of the P. and O. Company, which appeared in the *London Times* of 18th March, 1899. The honorable member for Bland had evidently read of the comparative merits of the Sikhs and Goorkhas. I wish that he had also acquainted himself with the merits of the lascars as seamen.

Mr. WATSON.—I have read what Sir Thomas Sutherland says.

Mr. KELLY.—His letter reads as follows:—

When the monopoly of the East India Company came to a close, in 1834, in the trade between India and China, their ships were succeeded by what were called "country" ships, manned exclusively by lascars, with European or Manila steersmen, and these ships were among the finest schools of seamanship in the world. All the coasting trade vessels, both in India and China, were similarly manned, and those who remember the opium schooners on the coast of China (some of which remained in existence to the late sixties), the manner in which they were sailed, and the man-o'-war smartness with which they were handled, will look back to them as among the finest craft afloat.

I should like further to read Sir Thomas Sutherland's explanation of the circumstances under which the P. and O. Company were first induced to employ black labour. It is pointed out that before the opening of the Suez Canal all the "country" ships referred to trading east of Suez were manned

by black labour. Sir Thomas Sutherland says :—

With the opening of the Suez Canal, in 1870, a new state of affairs arose. The services eastward and westward were no longer separated, and the same crew could serve in the ships alike in the Mediterranean and in the eastern seas. When the Company's lines began to be worked regularly, *via* the Canal, it was the intention of the directors of the P. and O. Company that the ships should be manned exclusively by Europeans, the employment of lascars being confined to the vessels running between India and China, and on the coast lines. Accordingly the steamers leaving this country were provided with English crews, both seamen and firemen, but with results so unsatisfactory that the efficient working of a mail service was seriously compromised. It was no uncommon experience to have half a crew in prison for drunkenness and disobedience to orders, and the directors found themselves compelled, after a year's experience of English sailors and stokers in the tropics, to make the experiment of employing lascar crews on this side of Suez, in order to get the work of their ships properly done. I say against their inclination, because it was feared the lascar would never stand the rigor of an English winter.

That is the explanation of the reason why lascars came to be employed upon the ships of the P. and O. Company after the opening of the Suez Canal. Personally, I should infinitely prefer to see white men employed, if it were possible. But if it is purely a question of expediency; if the companies have found that they cannot command the obedience of their crews unless they employ a proportion of black labour, it is hardly expedient on our part to dislocate the whole mail service of the Commonwealth for the sake of £72,000 per annum, which is equivalent to only 4½d. per head of the population. The honorable member for Bland mentioned the Norddeutscher Lloyd, which enjoys a subsidy from the German Government. I may as well read the clause in their contract relating to the employment of labour, which is as follows :—

All adult deck hands and members of the engine-room staff engaged in Germany are to consist of men belonging to the Naval Reserve of Germany, or of persons engaged to serve under the Imperial Navy, if steamers are requisitioned, hired, or bought by the German Government. Coloured men are only to be employed in the engine and boiler rooms when the employment of European firemen and stokers is inadvisable for sanitary reasons.

Mr. HUTCHISON.—Are black labourers so employed?

Mr. KELLY.—I cannot say; but I believe that they are, upon the ships running to the east of Colombo. I think that the ble member for Hindmarsh said that

the company were forbidden to employ black labour.

Mr. HUTCHISON.—I said that they did not employ black labour.

Mr. KELLY.—The honorable member said that they were forbidden to do so. The point I wish to emphasize is that if we prohibit British steamship companies from employing men who, after all, are our fellow-subjects, we shall encourage the introduction of more and more Germans into our mercantile marine.

Mr. RONALD.—It is a question of granting a subsidy, not of prohibiting.

Mr. KELLY.—The action taken by this Parliament has a tendency to prohibit the companies from employing black labour, and we shall gradually drive our trade into the hands of foreigners. We shall employ and train possible enemies instead of those whose loyalty we have no right to question.

Mr. SPENCE.—It would be better to do that than be without men to fight our battles.

Mr. KELLY.—These men would fight our battles. As the Sikhs and Goorkhas have fought our battles in the hills, these men might be relied upon to aid us in fighting our battles upon the sea. I do not think that it is fair to suppose that the only races in India which are fitted to fight our battles are the Sikhs, the Goorkhas, and the Dogras. It is unfair to assume that the maritime tribes of India would be less efficient in their own sphere than the hill-men have proved in theirs.

Mr. WATSON.—They have proved themselves very much less efficient. What about the *Argus* incident?

Mr. KELLY.—The honorable member asks me about a certain incident in which lascars, report says, did not behave very well; but, I would ask him, what about the wreck of the *Gascoigne* on the coast of France, in which case Frenchmen rushed the boats, and left women and children to their fate. I do not mention this as reflecting any discredit upon a great and gallant nation like France; because I do not regard it as fair to base a judgment of a race upon a few isolated instances. I should be the last to judge the French nation by the *Gascoigne* incident, and similarly the honorable member for Bland should not judge lascars by a few instances of that kind. I pass now from the question of our mail services to another, with which it is intimately connected. I refer to the Navigation Bill, which is yet in the clouds hovering over the other Chamber. I

sincerely trust that in submitting this Bill the Government are not acting under the direction of a small section of this House. I earnestly hope that it will give fair play to every one. Of course, the oversea companies which trade with us come here primarily for their own benefit. Incidentally, however, they benefit us. They spend in Australian ports, exclusive of wages, just under £1,500,000 per annum.

Mr. HUME COOK.—Where did the honorable member obtain his figures?

Mr. KELLY.—They have been compiled by oversea companies from their own books. Does the honorable member doubt their accuracy?

Mr. HUME COOK.—No, I merely desired to learn the source from which they were obtained.

Mr. KELLY.—Any doubt as to their accuracy would be a very reasonable one for the honorable member to express, because the figures have been derived from an interested party. But there are always methods of gauging the correctness of statistics thus obtained. I have no reason to question their accuracy, especially as the expenditure of the company which supplied them is not at the head of the list, as it undoubtedly would have been had they been "faked." The total expenditure of these companies in Australian ports, exclusive of wages, is close upon £1,500,000 annually.

AN HONORABLE MEMBER.—They are philanthropists.

Mr. KELLY.—No, they come here to make money, but incidentally they benefit us. Does the honorable member mean to tell me that if he is a bootmaker and sells boots to some person, that a mutual advantage is not conferred? These oversea vessels do not enter into competition with the steamship companies which are engaged in our coastal trade. I should be the last man in the world to endeavour to work to the detriment of our local steamship companies. I am a shareholder in one of them. At the same time I recognise what is a fair thing, and I hold that it is unfair to penalize the oversea vessels for the benefit of our local steamship owners. These ships carry no freight from port to port, and receive only about 5 per cent. of the passenger trade. Nevertheless, Western Australian members will agree that they are an immense convenience to the travelling public. In addition, they form another link connecting us with the mother country, and I think that the Prime Minister will be the first

man to honour that link. The honorable member for Gwydir took the leader of the Opposition to task for his attitude upon the question of preferential trade. As a loyal supporter of the right honorable member for East Sydney, I feel that it is my duty to reply to these statements. The honorable member for Gwydir said he could not understand why the leader of the Opposition should be at variance with the Prime Minister upon the question of preferential trade, in face of his declaration that if the Government were returned with a majority he would do his level best to induce the Prime Minister to offer a real preference to Great Britain by allowing the present duties to remain operative as against foreign goods, and by lowering those duties as against British goods. I think that is a perfectly logical position for the leader of the Opposition to take up. On the one hand, as a free-trader, he could not support preferential trade; on the other, he declared that if he were returned with a minority he would do his best to see that any preferential trade proposals submitted would not mean increased protection to Australia. I utterly fail to see the value of that kind of preferential trade which is advocated in New Zealand and Australia. Unless the Prime Minister is prepared to offer Great Britain a real preference, I cannot withdraw what I have said. The position is roughly this: The institution of preferential duties will mean the diversion into new channels of the foreign trade of Great Britain. If that trade is to be diverted into channels which are yearly drying up, of what value is the so-called preference to Great Britain? The preference granted by New Zealand is of no value whatever. It merely means that year after year New Zealand will be in a better position to oust goods of British manufacture from that colony. Is it fair to ask the mother country to adopt a system of preferential trade and afterwards kill her trade by the very preference which we are according to it? Concerning the Conciliation and Arbitration Bill, and the Navigation Bill, I am of opinion that neither of those measures should be introduced into this House until the Constitution has been honoured by granting New South Wales her right to the Capital site. I wish honorable members to understand that I am not standing here in the capacity of an Irish party in any sense whatever. But I hold that the first duty of this Parliament should be to recognise the rights of the component parts of the Federation.

Those rights have not been honoured; and I do not think that the Bills to which I have referred should be introduced until effect has been given to the provision in the Constitution which relates to the Capital site. I wish now to briefly refer to the *Petriana* incident. As anything which honorable members may say upon this question may rightly be open to a charge of partisanship, I shall content myself with reading from Captain Kerr's report. He says—

I have sailed in many seas the world over, but have never before seen or heard of a country where a shipwrecked mariner was not allowed to put his foot upon dry land.

Mr. CROUCH.—Is that his own report?

Mr. KELLY.—Whose report would it be if he has signed it?

Mr. DEAKIN.—He was not there.

Mr. KELLY.—Captain Kerr continues—

If your seamen were wrecked upon Malay Peninsula, or on the Chinese coast, they would not only have been welcomed but the best these poor blacks possessed would have been placed at their disposal.

Mr. DEAKIN.—It was so here.

Mr. KINGSTON.—The men who were responsible for the *Petriana* reports should be excluded as criminals.

Mr. KELLY.—I take it that our national honour is as dear to us as is any other thing, but by its action, the Government have even put that up for sale.

Mr. DEAKIN.—The statement implied by the quotation which the honorable member has read, that shipwrecked men were refused permission to land here, is absolutely untrue.

Mr. KELLY.—But will the Prime Minister say that they were not refused permission to land in Melbourne?

Mr. DEAKIN.—They were never refused permission to land.

Mr. KELLY.—Were they not kept on a tug?

Mr. DEAKIN.—Yes. They were kept there by the agents, who were told that they could land these men when and where they pleased, so long as they took reasonable precautions that they should not blend with the population. They refused to do that.

Mr. CONROY.—That makes the incident all the more disgraceful.

Mr. KELLY.—In view of the Prime Minister's disclaimer, I exceedingly regret having used such strong expressions. In supporting the proposed appointment of a High Commissioner in London, the honorable member for Bass took it for granted that such an appointment would imme-

diately lead to the abolition of the offices of the six Agents-General of the States. I sincerely hope that the Government do not share his optimism in that respect. I trust that some arrangement will be made with the States whereby, simultaneously with the appointment of a High Commissioner, the main duties of the Agents-General will be abolished. With the paragraph in the Governor-General's Speech which relates to economy, I must profess myself in the most hearty sympathy. I think that in time the desire for economy must necessarily lead to the unification of Australia. The proposal to federate the States debts must have made everybody realize how absurd it would be to take over those debts without also assuming control of the great spending powers of the States, and if we took over their great spending powers, I take it that unification would practically result. I think that the Federal system is merely the transition stage between an Australia harassed by six independent authorities and an Australia united under one central administration. But I most earnestly believe that before the Commonwealth can reasonably ask the States to intrust it with further powers, it must show itself worthy of confidence. I exceedingly regret that after three years' experience of Federation, we find State inflamed against State, and States against the Commonwealth. We find that more inter-State jealousy exists to-day than was ever before known in the annals of Australia.

Sir JOHN FORREST.—I do not think that is so.

Mr. KELLY.—I am sure that, if the right honorable gentleman were a resident of New South Wales he would share the view which I have advanced. The State from which I come now regards itself as having been tricked into Federation. It considers that it was tricked behind a tariff wall alike foreign to its interests and traditions; and it is also beginning to suspect that this House does not intend to deal in a friendly way with the question of the capital.

Mr. SPENCE.—That is only the opinion of Mr. Haynes.

Mr. KELLY.—No; it exists all over the metropolitan district.

Mr. TUDOR.—Does Sydney represent New South Wales?

Mr. KELLY.—It represents more than one-third of New South Wales, and consequently the opinions held by the people of Sydney are worthy the considera-

tion of the honorable member for Yarra. In view of these facts, it is well that action should speedily be taken towards the establishment of the capital. What would the representatives of the smaller States think, if the Government refused to grant to those States their full rights under section 87 of the Constitution? Would they, in such circumstances, sit down quietly, and possess their souls in patience?

Mr. PAGE.—We should “buck in” and get our rights.

Mr. KELLY.—Of course honorable members would do so; and I trust that they will “buck in” and help New South Wales to get hers.

Mr. BAMFORD.—If the honorable member would tell us what is desired we should probably help him.

Mr. KELLY.—We desire first of all that the selection of the site of the Federal Capital shall be made without delay. If this Parliament finds it impossible to select a site, I take it that it is our duty to allow the Parliament of New South Wales to determine the question. I am aware, of course, that such a proposal would, if carried out, upset the calculations of a few honorable members.

Mr. ISAACS.—Where does the honorable member find any authority in the Constitution for such a reference?

Mr. KELLY.—Where is it not?

Mr. ISAACS.—Everywhere.

Mr. KELLY.—If this Parliament, in its collective wisdom, cannot settle the question, it should allow another Parliament, which has a better chance to determine it, to do so. In any event it must be determined soon. The unwarranted delay in settling this matter has kindled a fire of discontent throughout the mother State—a fire which is spreading, and which at all costs must be extinguished. What is wanted in this Federation is a more statesmanlike recognition of the rights of its component parts. If we had that recognition we should find each State satisfied with its neighbour, and all, mutually trustful, working together to build for this land we love so well a place among the nations. In making my appeal on behalf of the mother State, I would ask honorable members to lay aside all provincial feeling, and to give full play to those high Federal ideals of compromise and mutual consideration which are the only foundations upon which can be built a Federation of the hearts of those four million people we all represent.

Mr. McCOLL (Echuca).—Without indorsing the views which the honorable member for Wentworth has advanced, I think that we may all congratulate him upon his *debut* in this House, for the speech which he has just delivered was characterized by good taste, courtesy, and moderation. I dare say that many of his views will find general acceptance, although in regard to some of them the honorable member and myself are as far asunder as are the poles. Possibly, when he can rid himself of the influences of the environment in which he has lived for so many years, and of the Philistine press with which he has so long been familiar—after he has enjoyed the company of the more liberal-minded men who sit around him—he will modify his views. The honorable member must be aware that it is not the fault of the Government, nor, indeed, of this Chamber, that the site of the Federal Capital has not yet been selected.

Mr. JOSEPH COOK.—The fault rests with the Government.

Mr. McCOLL.—The honorable member must know that several eligible sites were submitted last session, and that one was selected by us; but that, in consequence of a disagreement with another place, it was impossible for us to finally dispose of the matter. I have no objection to the selection of a site, but I shall strongly oppose the expenditure of any large sum upon the establishment of the capital. I shall certainly oppose very vigorously the spending of any loan money upon that project, although I believe that a site should be selected at the very earliest opportunity, so that the matter may be quietly put to rest for all time. When the Address in Reply was under consideration last session, I complained that the Governor-General's Speech, then before the House, contained no proposals whatever to assist our people in producing more and thus earning more; that every proposal was one for the expenditure of money, and that the speech was destitute of any proposition to earn it. I also said that what we desired was practical legislation, so that we might have peace and rest, economical management, and the development of the country to its fullest extent. I pointed out that after all, if we were to win the hearts of the people, it would be necessary for us to set our faces in that direction; that we needed work for the people, help for the producers, and markets for their products. I am glad to

say that in the Governor-General's Speech, now under discussion, a step has been taken in that direction. A beginning, of course, has to be made, and in making the proposals contained in paragraphs 5, 6, and 7, the Government have gone as far as they can towards the submission of matters of great interest to the bulk of the people of this country. We hear a great deal about the present political position. It is being discussed at great length in certain sections of the press, and an endeavour is being made by those sections to make the position appear more entangled than it really is. If they had their way they would, doubtless, still further complicate the situation; but I, for one, am not much concerned about it. If we talked less, and did more, it would be much better for the Commonwealth. The position will adjust itself. Whether we have a Labour Government, a Government comprising members of the present Opposition, or the present Ministry in power, I feel certain that the good sense of honorable members, together with the watchfulness of press and public, will keep that Government from going far astray. Our duty is not to worry about the political position, but to discharge the business which comes to our hands in the best possible way. Matters will surely right themselves. We must remember that the system which allows of the return of honorable members by a minority is responsible for the present position. It places men who seek to enter this House at the mercy of faddists and cranks who may be strong in their own particular districts, and prevents large questions of great importance to the country from being dealt with fairly and on their merits. Other considerations to the exclusion of the more important ones come into play, with the result that matters that ought to be dealt with are shut out. Much has been said about the Labour Party, which appears to be regarded by some persons as if it were another Frankenstein about. I do not agree with all the views which the members of that party hold, but, at the same time, I do not regard them in the adverse light in which they are regarded by some persons. I think that the members of the Labour Party are as honest, and earnest, and anxious for the good of all classes of the community as are the members of other parties. In some matters, however, I believe that they are going too fast, and that in other directions they are going too far. They desire to accomplish too much at once, and by reason of views expressed—I do not say by

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the leaders of the party, but by members of it—they are bringing upon themselves that suspicion as to their motives and objects, which the leader of the Labour Party admitted on Friday last existed in the minds of a number of people.

Mr. FISHER.—To what planks in our platform does the honorable member object?

Mr. McCOLL.—I do not propose to canvass the whole programme put forward by the Labour Party. I agree with a considerable part of it, but later on I shall refer to some portions of it to which I object. The critics of the party seize upon the views of the extremists as representing those entertained by the party as a whole. The leaders themselves are not responsible for the views which all the members of the party express. But when proposals are put forward from platforms on which the leaders themselves stand, and are allowed to go uncontradicted, it is only to be expected that the representatives of other large interests in this country feel themselves likely to be attacked, look upon the party with suspicion, and have fears as to what will be the result if it should get into power. If the Labour Party honestly desires to secure the welfare of this country and to reconcile the other parties who differ from its views, its members must be moderate in the opinions they express and in the rate at which they seek to travel. I trust that before the close of the present Parliament—before we go to the country again—we shall see that our electoral laws are altered in such a way that no man will be able to sit in this Parliament unless elected by a majority of the people of his electorate. Until we secure that reform we shall not get down to great principles, nor shall we have great parties. There should not be three parties in this House; there should be only two. But under existing conditions three, and possibly four or five, parties may be seen in this House at no distant date. One section of the community, which looks upon the Labour Party with great suspicion, is that which I represent. Many of my opponents assert that I have too much sympathy with the party, and indeed that was one of the cries raised against me at the last elections. I do not speak for owners of large estates, but I should be heartily glad if it were possible for the farmers of this country and the Labour Party to get into accord with each other.

Mr. WEBSTER.—They are in accord in New South Wales.

Mr. McCOLL.—It would be an immense benefit to the members of the Labour Party themselves if that end could be secured. I would urge the Labour Party, in any views put forward by them, as well as in any legislation they seek to carry, to show a regard for the interests of the great body of producers. I would urge them to refrain not only from expressing any opinion that might be considered harmful to the producers, but also from putting forward legislation which the producers themselves consider would be harmful to them. If they adopt these tactics I believe that they will find that the farmers in many districts have far more sympathy with them than they themselves believe. A section of the press invariably represents the Labour Party as the enemy of the farmer, and calls upon the farmer to put it down. That, however, is not the feeling of many of the farmers themselves. They have learned of late years to modify their views to a considerable extent, and only moderate dealing and fair play are required to win their sympathy, and, perhaps, in time, their support. For myself, I would say, with the wise Hebrew of old—"If the thing is of God, it will prosper; if it is not, it will come to nought." If it is founded on justice, truth, righteousness, and fair-play, it will succeed; but, if not, it will fail as other wrong movements have failed in the past. I commend to the perusal of the leader of the Labour Party two poems of Whittier. Whittier was a true democrat, and a true poet. The first of these poems is entitled "Democracy," and has for its motto the text—

Whatsoever ye would that men should do unto you, even so do ye also unto them. In the poem which he has addressed to the reformers of England, he sets forth what they should have in their minds as the ideal which they should strive to attain. He says—

Blessing the cotter and the Crown,
Sweetening worn labour's bitter cup,
And, pulling not the highest down,
Lifting the lowest up.

If the Labour Party make those lines their motto, they will find that all classes will speedily join with them; but when members of the party express the view that thrift means theft, and property means robbery, one cannot wonder that men who have been thrifty and careful in making provision for themselves and their families regard them with suspicion.

Mr. FRAZER.—What member of the Labour Party has used those expressions?

Mr. McCOLL.—They have been used over and over again by members of the party, though I do not say that they are to be taken as the views of the party. Those sentiments have been expressed on public platforms. I indorse two of the remarks made by the honorable member for Gippsland yesterday, though I shall not dwell upon the subjects of them, because he dealt with them very fully—I refer to the legislation which brought about the exclusion of the six hatters, and the endeavour to prevent the employment of black labour upon ocean-going steamers. I think that we should certainly try to modify that section of the Immigration Restriction Act which prevents labour coming here under contract, so that white men shall not be prevented from entering Australia. In my opinion, it will be sufficient to provide that labour contracts made outside the Commonwealth shall be absolutely void here. If we do that, employers in the Commonwealth will have no hold upon men brought here to perform labour, because those men will come in free from any obligations to them. While far too much has been made of the six hatters incident, if has, undoubtedly, created a very bad impression in Great Britain and elsewhere. In view of our want of population, we should try rather to lower than to raise barriers against immigration, though, of course, we must give fair play to our own people. As to the cry for a White Ocean, while there is much in the views put forward, I think we should see that the action we take is a moderate one. The farming population are afraid that if we aim at the total exclusion of black labour from vessels coming here from abroad, they will suffer severely through an increase in freights. I am not prepared to say whether that will or will not happen, but I think that to prevent friction and to secure harmony, some concession should be made. Some criticism has been expressed in regard to the conduct of the late elections which I do not regard as any too severe. I have never in any of my experience of elections seen such bungling before.

Mr. McDONALD.—Who was responsible?

Mr. McCOLL.—The officers in charge of the administration of the Act were in some cases responsible, while in other cases the trouble was due either to the faultiness of the Act, or to the shortness of time in which preparations had to be made. The proper conduct of elections is of the utmost importance, and one of the greatest mistakes made was in intrusting the carrying out of

the provisions of the Act to men who had had no previous experience of elections. If the electoral officers of the States who had previously acted had been chosen, the mistakes which occurred, and the friction which was caused, would not have happened. There was too great an endeavour to get things done cheaply, to save money, and to bring the expenditure within the sum named by the Government as the probable cost.

Mr. MAUGER.—The Government profess to have saved £40,000 on the elections.

Mr. McCOLL.—They have had men working for days and weeks without remuneration. No doubt many of these men were public servants, but they should have been remunerated for the extra work done by them, even if the remuneration came to a few thousands of pounds. The smallness of the vote recorded is not to be wondered at. It is all very well to decry those who did not vote, and to blame them for not using their privileges, but there are considerations which are sometimes overlooked in a criticism of this kind. Most of the farmers of Australia had, prior to the elections, been suffering from a drought of seven or eight years' duration. At the time of the elections they had the promise of a very bounteous harvest. But with the chance of a change of weather, every minute was precious to them in getting in their crops. It was not to be wondered at, therefore, that those who had to work in the fields were unwilling to spend half a day or a day in recording their votes. I may be told that they could have voted by post. The Act certainly gave them the right to do so, but many farmers who tried to exercise that right were unable to get the necessary papers. I know of eighteen in one district who were unable to record their votes, because they could not obtain the necessary papers. Another reason why the vote taken was a small one is that the legislation of the Commonwealth Parliament hitherto has not come home closely to the people. We have been engaged chiefly in the passing of technical machinery enactments which have not closely touched their interests, their feelings, or their hearts. Consequently, they were, to a large extent, indifferent as to the result of the elections. But possibly, with the promise of more practical legislation next session, the people may show greater interest in future elections. One thing I should like to urge upon this and any future Government is that it is desirable to avoid the holding of elections

between November and February, because the farming population, the most important section of our people, is then busily engaged in harvesting its crops.

Mr. McDONALD.—What month would the honorable member suggest?

Mr. GLYNN.—September or October.

Sir WILLIAM LYNE.—October would be as good a month as any.

Mr. McCOLL.—October would be a good month. In any case, the three months of harvest should be avoided, so that men may not be taken from necessary work when conditions are unsettled. I hope that the Electoral Act will be amended in the light of experience, and made as perfect and satisfactory as possible. The Treasurer is deserving of our best thanks for having had a Conference with the Treasurers of the States in reference to the consolidation of the debts of the States. The question is a large and important one, and I do not see how he could have done better in regard to it than to call that Conference. The result, so far as things have gone, is one with which we should be highly gratified. Possibly after the discussion which has taken place, a second Conference will be able to discover a solution of the difficulties which now face us. If so, the consolidation of the debts of the States will in itself be almost a complete justification for Federation, because of the enormous saving in interest which it will effect. It will, moreover, prevent extravagant expenditure, by restricting future borrowing, which is much to be desired. Another matter referred to in the Speech is the question of population. No doubt the decrease in our population is a very serious matter, considering the responsibilities which we have undertaken. The public debt of Australia at the present time is about £60 13s. per head of population, or about £142 per head for the bread-winners of the country, male and female. For the male bread-winners, however, who alone have to carry this burden, it amounts to about £180 per head. Every able-bodied man whom we can induce to come here will increase our wealth, and take his share of the burden of debt; but to go on piling up debts while we are losing population is an act of great folly, and will create serious danger to the Commonwealth. I hope that future debts will be incurred only for works which, if not directly reproductive, will at least be indirectly so. We need not only more people, but an admixture of new races. The Anglo-Saxon race is strong and virile because it is made up of a mixture of races, and the opinion in the United

States is that that country is strong and progressive because its population comprises representatives of almost all the races of Europe. The admixture of new blood brings with it new ideas and methods, and that has made the United States strong and progressive. We shall not be a strong and progressive people if we determine that only persons of our own race shall come here. In the United States, Germans, Swiss, Italians, and persons of other continental nationalities are to be found, together with members of the Anglo-Saxon and Celtic races. In some places these foreigners occupy townships of their own; but generally they mix with the population, and that helps to make the race strong. We should not refuse admission to desirable immigrants, no matter from what country they may come. In the case of animals, continual inbreeding results in a loss of strength and character, and nations are subject to the same deterioration unless they have an infusion of new blood to impart new vigour. The population problem is interesting in its relation to the White Australia question, which is looked upon by many, and by sections of the press as if it were entirely new. It is, however, fifty years old in this country, and there are many still amongst us who remember the very serious Chinese riots which took place in the fifties, and the very strong effort that was made in some of the mining districts to drive away the Chinese. From that time until the present, there has been a very strong feeling in all the States that we should pass legislation that would have the effect of reserving the country for those whom we deem fit to associate with us. The question is not a new one, even in England, because from the time of Edward VI. down to the reign of Elizabeth, legislation of an extremely drastic character—far more so than that brought forward here—was passed for the purpose of keeping out undesirable aliens. In 1889 a Commission was appointed in England to investigate the circumstances under which large numbers of aliens were coming into the country, and in 1898 a Bill providing for the exclusion of aliens was brought before the House of Lords. Therefore, we are only following in the steps of the old land when we express by legislation a determination to keep this country for those who are fitted to add to the strength and vigor of the race. As I said before, however, I think we are going too far in excluding our own fellow-subjects, and I hope that the legislation now on the statute-

book will be modified. There are some dangers to be avoided in connexion with our White Australia policy. We must take care that it does not result in an empty Australia. If we do not fill up with desirable immigrants those portions of the continent which are at present unsettled, we shall leave them open for the advent of undesirables. We have vast areas in the northern parts of Australia which are accessible by means of good harbors, and absolutely open to Asiatics and to the inhabitants of the Indian Archipelago, and if we do not settle those parts with people of a desirable character, most assuredly they will be filled up by aliens. They will come here in spite of us, and probably in such enormous numbers that we may occupy the position of undesirables and have to leave them in possession of the country. The trend of events in the Far East should make us extremely careful with regard to this matter. If we do not balance the White Australia policy with another which will bring in fresh population, all our legislative devices with a view of maintaining the purity of the race will surely be doomed to failure. The northern part of Australia would afford a congenial home for Asiatics, and it would be impossible for us to long prevent them from establishing themselves there. It may be asked—"Where can we secure the necessary immigrants?" I would point out that we can procure many desirable colonists by making draughts upon the populations of Switzerland, Italy, Germany, and other parts of Europe—people who would be capable of settling upon the land and turning it to the very best advantage. In connexion with this matter, we must consider the necessity of making land available for settlement. It will be of no use for us to encourage immigration, unless we have land upon which we can place our immigrants without delay. Further, before finding land for people beyond our shores, we should first of all provide land for those who are already amongst us. It may be interesting and instructive to honorable members to learn that in Victoria, from the 1st February, 1903, to the 31st January last, 17,000 applications were received for land. I do not mean to convey that these applications were sent in by separate individuals, because many persons were so anxious to secure land that they paid application fees for three or four allotments, on the chance that if they missed one they might secure another. The 17,000 applications, however,

were lodged by 7,500 applicants. Of these, 3,700 have been granted land, so that we still have in Victoria to-day some 4,000 persons who have applied for land during the last twelve months, and whose demands are still unsatisfied. I am simply giving the facts with regard to Victoria, with whose circumstances I am best acquainted, but I have no doubt that similar experiences are being met with in other States.

Sir WILLIAM LYNE.—In New South Wales the demand for land has been much greater, and, if anything, more difficulty has been experienced in meeting it.

Mr. McCOLL.—That gives so much more point to my argument. I find that at Lake Buloke, in the Wimmera district of Victoria, 103 allotments were thrown open for selection, and 1,350 persons lodged 5,000 applications. Then again, in Gippsland, in the southern part of the Colony, and with an entirely different climate, eighty-four allotments were applied for by 462 persons, who lodged 700 applications. These instances serve to show that a number of intending selectors are still landless. I notice in the report of the officer in charge of the Lands Department in Tasmania that a similar state of affairs is disclosed. The report, which is for the year 1903, says—

More persons have, I believe, visited Tasmania, with a view to settlement, during the last twelve months than for the previous ten years put together. The value of private lands has in consequence increased in these parts, in some cases, from 10 to 25 per cent., and land selection has been greater than at any period since the introduction of the system.

The demand for land, even on the part of our own people, can only be met by extensive resumptions, because, in the case of Victoria at any rate, the State does not possess land enough to supply the needs of intending settlers. The paragraphs which appear in the newspapers from time to time announcing that so much land is to be thrown open, need not be noticed, because in most cases the land in question is of very little value, and would prove of no use to intending settlers. In Victoria, the only land available for any large population is away in the far north, and cannot be utilized until our water resources are developed. I am aware that in Western Australia and Queensland there are large areas open for settlement. I do not care in which State the people settle; I would as soon see them settle in other States, so long as they can secure the land necessary to enable them to live and bring up their families in comfort. Our

first duty is to provide for the wants of our own people, and afterwards to encourage immigration. If we enter upon an immigration policy without first taking care that our own people are sufficiently provided for, we shall act very foolishly, and I think that the strongest representations should be made to the States Governments with a view to induce them to make available the State lands which they possess, or to adopt a comprehensive system of resumption. If they prove unwilling to do so, and it is still desired to pursue an immigration policy, I should favour the borrowing of money by the Commonwealth for the purpose of purchasing estates upon which to settle our people.

Mr. JOHNSON.—At ruinous prices—it would never pay.

Mr. McCOLL.—Does the honorable member know anything about the subject?

Mr. JOHNSON.—I ought to.

Mr. McCOLL.—Does the honorable member know anything about the subject as it relates to Victoria?

Mr. JOHNSON.—I think I know as much as does the honorable member—or probably a little more.

Mr. McCOLL.—Whether that be so or not, I shall give the honorable member the benefit of the little that I know. I was Minister for Lands in the Administration of which the honorable member for Gippsland was the head. Provision had been made upon the statute-book for the resumption of land, but had never been put into operation until I took office. I occupied the Ministerial position for only a short twelve months, but during that time I resumed three large estates and left behind me a recommendation for the resumption of another. In addition to that, I purchased a property at Moreland, within three miles of the Melbourne Post Office, and settled upon it a number of artisans and others, and gave them homes. I will tell the honorable member the result of that action. There are now fifty families settled there, holding from one to two acres of their own. They have thirty-one and a half years within which to pay the purchase money, the payments being made somewhat after the building societies' plan, in sixty-three half-yearly instalments. The honorable member can go to Moreland and see the result of the experiment for himself.

Mr. JOHNSON.—I do not say anything as to the experiment, but I contend that land

settlement can be encouraged in a much better way than that proposed by the honorable member.

Mr. McCOLL.—If the honorable member would hold his tongue I should be obliged. Four country estates were resumed, upon which 189 families are now settled, whereas there were only four families in occupation previously.

Mr. McDONALD.—Is that in Victoria?

Mr. McCOLL.—Yes. The total sum which has been spent in the purchase of these estates is a little over £201,000. As showing that the system has proved a success, despite the bad years which we have recently experienced, I may mention that the arrears of payments at the present time represent only 1 per cent. of the rents, which, of course, also include the purchase money. No more gratifying experiment could possibly be entered upon, and the results show that the policy of land resumption by the State is a sound one if it be faithfully and wisely carried out. Of course, in the absence of extreme care it is possible to purchase land at too high a price, or land which is not suitable for the purposes to which it is to be put, and if that be done, it necessarily follows that the State will suffer. But the fact remains that to-day in Victoria the arrears of payments upon re-purchased estates total only 1 per cent., and there is a profit to the credit of these estates, a large amount of which has been expended in improving them in various ways for the settlers. I mention this because we cannot enter upon a policy of encouragement to immigration unless we have a clear understanding with the States as to how they intend to find the land upon which immigrants are to be settled. I have shown the results of the experiment in Victoria in order that the public may know that this is not a wild, hair-brained, socialistic scheme.

Mr. FOWLER.—It is socialism, all the same.

Mr. McCOLL.—Yes. But socialism of a class that I like. Our *crédit foncier* system is socialistic, and so also is the control of our water-works by the State. I do not condemn socialism because of its name, but only because of its application in certain cases. If we are to attract immigrants from other countries, we must see that the land is prepared in advance of their coming. In this connexion it would be well if

the States purchased estates, held them back for a year or two, and forwarded plans of them to the countries from which we desire to attract population. In some cases in Queensland, where the policy of resumption has been pursued, it has been customary to set apart one-third of the land for allotment to persons who have not been resident in the State for three months. The idea underlying this practice was that newcomers should not be elbowed out by those who had been longer resident in the country. I repeat that we must have the land available for settlement before the immigrants arrive, and we must be able to offer it to them upon reasonable terms. This class of settlement is progressing to a wonderful degree in California. There, they have a body known as the Californian Promotion Committee. It is formed chiefly of business and professional men, and is maintained by subscription. There is a central committee in San Francisco, and in every county in the State there are two or three members of the committee. They have rooms set apart for the purpose of disseminating information relating to every part of California. If an individual desires to ascertain the best localities in which to enter upon the growth of citrus fruits, for example, the information is promptly forthcoming. So it is in regard to the dairying, pastoral, and agricultural industries. Intending settlers are taken in hand and advised of the localities which will suit their requirements, and they are shown the land. Hence we find that during the past ten years the population of California has increased from 1,213,000 to 1,500,000. As evidencing the production in this State, I need only mention that in 1900, 528,908 tons, each ton containing 2,000 lbs. of fruit, were despatched by rail and sea.

Sir MALCOLM MCEACHARN.—Is not this encouragement to settlement undertaken by private companies in California?

Mr. McCOLL.—Yes.

Mr. DEAKIN.—A good deal of it is undertaken by public-spirited citizens who make nothing out of it.

Mr. McCOLL.—Exactly. It is carried out by gentlemen belonging chiefly to the business and professional class—men who love their State and who love this work. Of course the encouragement of immigration will necessarily mean recasting the State agencies at home. At the present time they are scattered about in all directions, and frequently come into conflict with each other.

Altogether they are woefully defective. What we require is one central building in which all information concerning Australia can be obtained—a building presided over by one head. At the present moment the existing agencies are costing Australia from £25,000 to £30,000 a year. I am sure that the expenditure of less than half that sum would provide a thoroughly satisfactory salary to a good man, meet the salaries of the assistants, and allow of the work being performed in a very much better manner than it is now. All necessary information relating to our land laws, our railways, our water facilities, and indeed, to almost everything else connected with Australia, should be obtainable in such a building. Then if we develop a large export trade, and establish an agricultural bureau working in the States, we shall have to place the inspection of exports under the Commonwealth, because all shipments of produce are looked upon as Australian, and not as belonging to the particular State from which they come, a bad shipment prejudicing Australia as a whole. Of course, other countries are competing with us for immigrants, notably the United States, Canada, and South Africa. But in no essential element are we behind those countries. We have the climate and soil and every other necessary condition. We have land upon which we can grow all products. In Canada the land, for nearly half the year, is as hard as an asphalt pavement. There, buildings are an absolute necessity for the housing of stock; here they are merely a convenience. Further, we have facilities for growing special products such as are possessed by very few other countries. There are certain staples which probably any country in the world can produce; others again which are universally required can be produced only in special districts. We possess those districts, and we should utilize them to the fullest possible extent. Of course we cannot hope to attract a large number of immigrants to our shores without making the best possible use of our water resources. That subject, however, is too large for me to discuss now, but under a motion of which I have given notice, I hope to be able to debate it at a very early date. Concerning preferential trade, it seems to me that those who oppose it take a somewhat narrow view. It is not merely a question of a 5 per cent. or a 10 per cent. duty—it is not only a question of profit—but one of the solidarity and unity of the Empire. That is what Mr. Cham-

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berlain has in his mind, and those who read Mr. Balfour's pamphlet will be convinced that his desire is to make the Empire homogeneous. Otherwise disintegration will sooner or later result, and we know what will follow. However, preferential trade is not at our doors yet. Whilst it was right to insert a reference to that question in the Government programme, there is no need for us to occupy too much time in discussing it now. We have simply to let the people in the old land know that we are prepared to consider them, to give them fair play, and to do what we can to bind the Empire together. The questions of agriculture and immigration are intimately connected with the establishment of an agricultural bureau. I trust that, ere long, the Government will see their way to institute a Department of that kind. In the United States it has rendered most invaluable service. We should have a similar Department here working in conjunction with our State agricultural bureaux. In New South Wales there is a Department which cannot be excelled in any part of the world. It possesses splendid men, who are doing magnificent work—work, in the benefits arising from which the whole of Australia should share as far as possible. In regard to all these matters I think that the Government might well take the opinion of members who represent agricultural constituencies in this House. Indeed, seeing that we already have three parties here, I do not know why we should not have a fourth—an agricultural party. I am sure that the honorable member for Gippsland would make a splendid head of it, and possibly we should be able to render good service to the Commonwealth. I am aware that provision is promised in His Excellency's speech for bounties for agricultural products. That is a project upon which we shall have to embark very carefully. Personally, I am not opposed to the system. A good deal has been done in Victoria in that direction, but whilst in some cases the system has been successful, in many others comparative failures have resulted, simply because no supervision was exercised over the expenditure and the future of the industries to be benefited. I take the same view regarding the Conciliation and Arbitration Bill as that which is entertained by the honorable member for Gippsland. I desire that its provisions shall not be made applicable to the farming or dairying industries, and I am also opposed to State servants being brought within the scope of the Bill. I wish also to point out that a section

of the press is busily engaged in representing that the failure of the Government to secure satisfactory tenders for a new mail service was entirely due to the embargo which was placed upon the employment of coloured labour on these vessels. I know that in these tenders provisions were included, notably at the instance of the honorable and learned member for Bendigo, the honorable member for Kooyong, and myself, for the better and safer carriage of perishable products. Those provisions were inserted because the system under which these products have been carried for years past has spelt ruin to a large number of our people. I should like to know whether those provisions have not had the effect of limiting the number of tenders received, equally with the prohibition which applies to the employment of coloured labour?

Mr. DEAKIN.—A good deal more so.

Mr. McCOLL.—At the same time, the press and other critics of the Government insist upon asserting that the failure of the Commonwealth to secure suitable tenders has been due simply to the one condition. I was under the impression that it was due in a large measure to the other, and that impression has practically been confirmed. I trust that nothing will be done at the present juncture towards the appointment of an Inter-State Commission, for on that point I am entirely in agreement with the honorable and learned member for Northern Melbourne. I feel satisfied that matters which are the subject of conflict between the States themselves or between the Commonwealth and the States, can be amicably settled by means of conferences. An interchange of views by the representatives of the States and of the Commonwealth should be sufficient to bring about satisfactory results without the appointment of an expensive tribunal. I trust that the lengthy programme submitted by the Government will be carried out. If it is, I feel that so far, at all events, as the practical measures set forth are concerned, we shall have done something to place ourselves on better terms with the people of Australia, and to secure for us the approval of our constituents when next we have to meet them.

Mr. ROBINSON (Wannon).—In rising to address this House for the first time, the diffidence that a new member naturally feels is in my case increased by the fact that I have the privilege to succeed so estimable and so high-minded a man as is Mr. Samuel Winter Cooke, who in the last Parliament so worthily occupied the

position now held by me. I am greatly indebted to that gentleman for many evidences of good will and esteem. I am also indebted to him for the fact that honorable members have been good enough to extend much consideration to me as one who follows in his footsteps. I count myself most fortunate in that I was privileged to listen to the speeches delivered by the leader of the Opposition, and the Prime Minister in this House last week. I had heard both of these honorable gentlemen on many previous occasions, but I do not think that I had ever derived more pleasure from their addresses. I felt somewhat sorry for the Prime Minister when he put before us the terrible list of difficulties with which the Government had had to contend at the last general election. As I listened to his long catalogue of woes, it seemed to me remarkable that the Government had succeeded in getting back even one of its supporters; but when I gave the matter consideration, I could only help recalling the fact that a very different tone was adopted by some of the supporters of the Government, here and elsewhere, just before the last elections. I remembered that the Prime Minister paid a visit to Sydney, and made a speech there which I believe had for the time being, great effect. We were told by the press, which supports him here, as well as by his followers, that the walls of Jericho had fallen; that just as the walls of Jericho fell in years gone by at the sound of a loud shout, so the walls of another Jericho had fallen at the sound of a loud shout by the Prime Minister, and that Sydney was henceforth to be the home of the protectionist. Shortly afterwards a visit was paid to Melbourne by a very strong supporter of the Government—Mr. B. R. Wise—who told us that it was a case of *veni, vidi, vici*; that the Prime Minister went to Sydney, he spoke and he conquered. Mr. Wise pictured a most terrible decimation of the free-trade ranks in that State. The leader of the Opposition was to be beaten; the honorable and learned member for Werriwa was never again to move in this House: "That the Chairman do now leave the chair," the honorable member for Dalley was never again to debate that question here; the honorable member for North Sydney would be among the missing, and the honorable member for Parramatta would lose his deposit. Many other pictures were put before us, showing the decimation which was to take place in the ranks of the free-trade party in New South Wales. Those prophecies, fortunately,

have not been fulfilled, and indeed, it seems to me that the position of the Government in New South Wales, as well as in Victoria, is not as strong as it was prior to the last elections. Although a determined assault was made upon the gallant Victorian four who held the fort in the last Parliament, so far as the Opposition was concerned, they managed to retain their places by increased majorities, while the Opposition also succeeded in securing another seat.

Mr. McCOLL.—By minority representation.

Mr. ROBINSON.—I should have liked very much to have a straight-out contest in my own electorate with a Government candidate.

Mr. WATSON.—Or with the Labour Party's candidate.

Mr. ROBINSON.—Yes. Most certainly.

Mr. WATSON.—In that event we should have beaten the honorable and learned member badly.

Mr. ROBINSON.—I do not believe in three-cornered contests; I prefer to see a straight-out run. The Government candidate for Wannon cut into my vote, and helped the Labour Party's candidate from first to last.

Mr. WATSON.—That will not do.

Mr. ROBINSON.—But it is a fact. We have also to remember that in the election of representatives for Victoria in another place, the four candidates selected by the Government found themselves somewhere among the ruck. One of their number was twelfth, fourteenth, or sixteenth on the list, and under these circumstances I think that the Government have little reason to congratulate themselves on the result of the elections. The party which has reason to congratulate itself is the party which has already done so—the Labour Party. Their discipline and organization were such that they secured many victories. I was struck with astonishment at the excellent organization they displayed in connexion with the contest for the representation of Wannon.

Mr. G. B. EDWARDS.—It is the party which has the admiration of both the other parties, and the sympathies of neither.

Mr. ROBINSON.—Quite so. The fiscal question has been given much prominence by many honorable members who have already spoken during this debate. I am one of those representatives of Victoria who believe that it would be inadvisable to have any general re-opening of the

Tariff question for some time to come. I know that, in this respect, I differ to some extent from my honorable friends from New South Wales, but I feel that the continual re-opening of the Tariff question would be injurious to the merchants and producers of the States. In these circumstances, I welcomed the statement by the Prime Minister, that he was prepared for a fiscal peace; but, at the same time, I pointed out to the electors of my constituency that it would be advisable to carefully watch the efforts made in this direction. I reminded them of the old proverb about "fearing the Greeks most when they bring gifts," for the last elections had shown a great many members of the party in Victoria, New South Wales, and elsewhere, that they might very well be deceived by spurious promises. I find now, that instead of there being a fiscal peace during the life of this Parliament, there will be a fiscal war before we have been long in session. I have before me a copy of the speech delivered by the Governor-General, and I find that the first Bill referred to is the Conciliation and Arbitration Bill. Next to that we have the Navigation Bill, which most certainly involves the question of protection or free-trade, while the third on the list is the Iron Bonus Bill, which no one can deny is a fiscal Bill. The Opposition in the last Parliament was strong enough, on many a division, to cut the claws of the protectionist party, and I have no doubt that, strengthened as it has been in New South Wales, and helped as it has been in Victoria, it will be able to give this proposal to grant a bonus for the manufacture of iron a very warm welcome. For my own part, I am determined to oppose any proposal to give any syndicate or corporation some £300,000 of the people's money. I object to a proposal of the kind, not only on the ground that it is a wrong and vicious principle for any company or corporation to be benefited at the expense of the taxpayers, but also from considerations relating to the position of the States Treasuries. Some of us, who have had a slight and fleeting experience in the States Parliaments, are familiar with the difficulties which the Treasurers of the States have encountered in recent years, and any proposal to give away in this way money which is now returnable to the States, must make their position still more difficult. It must lead them either to cruel and drastic

retrenchment, or to increased taxation. I do not wish to see either of these things, and therefore I intend to carefully scrutinize any proposal put before this House for the expenditure of public money in this way. I believe that there is no call for the expenditure of £300,000 of the people's money in the way proposed by the Government, and I do not consider that money so expended would bring any permanent benefit to the people of the Commonwealth. My predecessor was a member of the Royal Commission which considered this subject, and I thoroughly indorse his views. I have had the advantage of considering the reports prepared by the six on the one side and the six on the other—because there was an equal division of members—and it seems to me that the report of the six favorable to the granting of a bonus does not in any way touch the position taken up by those against the proposition. The question of preferential trade has also been referred to at great length by many honorable members. I am prepared to go as far as is any honorable member in the direction of securing preferential trade, provided that the preference to the mother country be real and genuine, and not the bogus one that was put up by the protectionist party prior to, and at, the last general elections. It is just as well that we should see what was the position taken up by the Protectionist Party when this proposal was first mooted. I find that the Prime Minister, in the course of a speech delivered by him in this House on the 9th October last, was asked by the honorable member for Darwin—

Does the Prime Minister's statement mean that there is any danger of the present Tariff being reduced?

and that he replied—

If there is any danger, it comes from my right honorable friend opposite, and not from this side of the House.

In other words, the Government were then pledged against a reduction of the Tariff in favour of Great Britain. A little prior to that date a protectionist conference met in this city, and was attended by the Minister for Trade and Customs, the Minister for Home Affairs, and other prominent members of the Government. A telegram was sent by that conference to Mr. Chamberlain, expressing belief in preferential trade on the basis of the maintenance of the existing protectionist duties. A preference of that kind would be a sham. It would mean no

real preference to the mother country, and is ably summed up in a picture drawn by Mr. F. Carruthers-Gould, whose cartoons in the *Westminster Gazette* have gained of late so much prominence. In this cartoon the artist depicts John Bull pointing to a tariff wall, and saying to his colonial friend—"I say, my colonial friend, are you going to lower this wall?" The colonist replies—"Well, not exactly *lower* it, but I'm going to raise the other part, so that this will be *comparatively* lower." To this John Bull replies—"Humph. It'll want the same length of ladder as before." That is the position which the protectionist party takes up in regard to preferential trade. It is pleasing to note that since the holding of this conference, the vigour with which the free-trade party has carried on the campaign has caused the protectionists to considerably modify their opinions, and we are now told by the Prime Minister that they are prepared to accept suggestions for a reduction of duties in favour of Great Britain. The greater the reduction, the greater, I hope, will be the support that it will receive from this side of the House. I think I may say that many honorable members on this side will not have the slightest objection to make a substantial reduction in favour of the mother country. The Navigation Bill has a bearing upon this question, and I would ask how are we to give a preference to the mother country if we are going to try to hamper and impede her shipping? The mercantile marine is the greatest asset of the British Empire, and any attempt to harrass that asset must be dangerous, not only to the Commonwealth, but to the Empire. What benefit will it be to the mother country to give her some temporary preference on goods imported to the Commonwealth, whilst her greatest industry, the mercantile marine, is injured by oppressive legislation here? How does such a proposal square with the protectionist party's professions of loyalty? We are told that the preferential trade question is to be dropped for some time. I presume that means that it will be resuscitated at the next general election, and used to give a spurious brand of loyalty to the protectionist party. In the same way, the Government, doubtless, hope that the Navigation Bill will be forgotten, together with other legislation aimed at the British workman. I take it that a party which advocates legislation aimed at British shipping and British workmen cannot claim from the mother country any great favours in the nature of

preferential trade. The real friends of the British people are those who desire that the rates of duty imposed upon goods coming here from the mother country shall be as low as possible, and who do not believe in harassing and oppressing British seamen and workmen generally.

Mr. DEAKIN.—And who would at the same time let every foreigner come in.

Mr. ROBINSON.—We hear always this talk about the foreigner; but it is merely so much bluff to carry through a scheme for robbing the British Empire by injuring its mercantile marine and for unfairly taxing our own producers. This scheme to prevent British and foreign vessels from trading between the ports of the Commonwealth unless they comply with certain restrictions means, if it has any meaning at all, the creation of opportunities for the local ship-owners to combine to raise freights. It must be borne in mind, however, that the local ship-owners have hitherto done remarkably well. As one meets them in the street they appear the most prosperous of men. Why should the producers of Victoria or of the other eastern States who export to Western Australia or Queensland be penalized by having to pay extra freights in order to increase the riches of a few already extremely wealthy men who have their offices in Collins-street, Melbourne, and in George and Pitt streets, Sydney? That is the position we take up.

Mr. CONROY.—“To him that hath shall be given!”

Mr. ROBINSON.—As the honorable and learned member reminds me, it is the old story of giving to him that has more than sufficient already. This is merely a policy of greasing the fat sow. The local shipping companies are doing well. One of them recently turned its business into a public company, and has since shown very substantial profits, while its previous returns were also exceedingly good. Why should the position of the ship-owners of Australia be improved at the expense of the community generally?

Mr. KINGSTON.—To which company does the honorable member refer?

Mr. ROBINSON.—To Messrs. Howard Smith and Co. The other companies are also doing remarkably well.

Mr. BAMFORD.—Those connected with them do not say so.

Mr. ROBINSON.—I never yet heard of a manufacturer connected with a protected

industry, or asking for a bonus, making anything but a poor mouth about his business when he approached the Legislature. When any individual is asking for the privilege of dipping his hand into the pockets of his fellow citizens to filch their money, he puts on a shabby coat and hat, and makes out a poor case for himself; but directly he has received his duty, or bounty, he puts on a good coat and hat again.

Mr. BAMFORD.—That remark applies particularly well to the over-sea companies at the present moment.

Mr. ROBINSON.—There is great divergence of opinion in this Chamber upon the question of the employment of coloured labour upon the mail steamers. Some of those on the Ministerial cross benches do not agree with the policy of the Government, while some of those on the opposition cross benches do not agree with the policy of those who occupy the front opposition seats. I strongly believe in securing a White Australia. I hold the opinion that our race would be contaminated if we allowed coloured aliens to land on our shores. The danger of contamination is so great that we should at all hazards insist upon their exclusion, but I do not consider it a legitimate extension of the policy of a White Australia to attempt to prevent lascars and other coloured subjects of the Empire from being employed upon the over-sea mail steamers. The ocean is wide enough for all, and it is a dog-in-the-manger policy to try to prevent coloured men who are subjects of the Empire from earning a living upon British steamers. The position of the Government in regard to this matter is an extraordinary one. They have offered two baits to their followers. In the first instance, we were to have an ocean mail service carried on exclusively with white crews, while the producers of Australia were to enjoy the benefit of thoroughly up-to-date refrigerating appliances upon every steamer, which would insure the conveyance of their perishable produce to London in the best condition possible. Money was spent in drawing up the conditions under which tenders were to be sent in, and in advertising for tenders; but when no tenders were received—and every one felt sure that no reasonable tender would be received—the Postmaster-General retired, as it were, into winter quarters for a few days, and emerged with a minute in which he set forth the statement that the day for giving subsidies to mail steamers has passed, that it is an

antiquated and stupid system which no sane man would think of supporting. That was the second position of the Government. Now we have the third position. The Prime Minister tells us that he still hopes to obtain a contract under the former conditions, though personally I do not think that he has much chance of getting a satisfactory service. Suppose the Government fail to make contracts on the subsidy system, we shall within a short time have to resort to the poundage system. That means a contract—just the same. Honorable members may say that it will not be a contract, but in fact and in law to place the mails upon steamers and require the owners to deliver them at the other side of the globe for a stipulated charge is to make a contract. The only difference between such a contract and the contracts under the subsidy system is that with the poundage arrangement there is no formal written agreement under seal. The mails, if carried under the poundage system, will still suffer the dreadful contamination of black labour, but, on the other hand, we shall lose all the benefits which would be enjoyed under a formal contract stipulating the payment of a subsidy. We shall be unable to require the steamers to run at regular times; we shall be unable to compel them to improve their refrigerating accommodation, and, in short, we shall have all the disadvantages and none of the advantages of the present system. It is only splitting straws to say that, while we are perfectly prepared to pay poundage rates for the conveyance of mails by steamers upon which coloured labour is employed, we are not prepared to enter into a formal contract in black and white for the payment of subsidies to such steamers.

Mr. WATKINS.—The honorable member would like to give a bonus for the employment of black labour.

Mr. ROBINSON.—We must pay for the conveyance of our mails. Under the poundage system the people who will suffer will be the farmers and business men of the community. Of course, in the busy season of the year, the steamers will run quickly in order to meet the demands of the trade, but in the slack season they may take four or five days longer to complete their passages. If they were subsidized, however, we could compel them to make their trips within a specified time, and could require the observance of other conditions which would be of benefit to those who use the service. Reference has been made to the Conciliation and Arbitration Bill. I am

one of the small minority in this House who are opposed to the introduction of that Bill. I do not think it fair that the employers of labour throughout Australia should have to obey two sets of industrial legislation, the State and the Commonwealth legislation. In most of the States, and particularly in New South Wales and Victoria, the industrial legislation now in force is of a particularly searching character, and it seems to me unfair to superimpose upon employers a Commonwealth law which may, and in all probability will, conflict with the legislation of the States. If we do so, employers will be forced to go to the High Court in order to ascertain which law they must obey. I do not think that they should be placed in that position. On the question of State rights I am at one with the Government, and I am glad that they intend to stick to their colours. I do not think that the Commonwealth should endeavour to dictate to the Governments of the States as to the wages they shall pay their employes. I hold the belief that if we do so, the High Court will give a judicial decision which will soon put matters to right; but, apart from that, it is wrong for us to place upon the statute-book legislation which directly interferes with the rights of the States. Honorable members have referred to the need for new party distinctions. It seems to me that in the future the Commonwealth Parliament must be divided into nationalists and federalists; between those who, notwithstanding the solemn agreement drawn up in the Constitution and sanctioned by the people, wish to go as far as they can in the direction of unification, and those who believe that the Federal compact should be kept and the rights of the States respected.

Mr. WATSON.—We cannot go beyond the provisions of the Constitution.

Mr. ROBINSON.—The proposals of the Labour Party tend towards unification. The suggestion that the Commonwealth Parliament should dictate to the Governments of the States what wages they shall pay their servants is a step towards unification, while the proposal for a Commonwealth tobacco monopoly is another such step.

Mr. WATSON.—It is a matter of opinion whether the Constitution does not allow both those proposals.

Mr. ROBINSON.—The great majority of the legal authorities of the House will tell the honorable member that both

proposals are beyond the provisions of the Constitution. Though the question of State rights is receiving little consideration now, it is of great importance, and must receive consideration in the future. I do not believe in unification. I do not think that this great continent can be governed by one Administration and by one Parliament. I firmly believe in State rights, and the rights of the States are affected not only by measures such as the Conciliation and Arbitration Bill, but by every proposal for expenditure which comes before this Parliament, since the Governments of the States depend upon the Government of the Commonwealth for the great bulk of their revenue. They have in the past contracted enormous liabilities, to meet which they relied upon their Customs revenue, and if their rights are not protected, they are within measurable distance of disaster. I was pleased, therefore, when the Treasurer met the Treasurers of the States in conference to discuss the possibility of consolidating their debts, and I read the report of the Conference with great interest. It seemed to me, however, that the right honorable gentleman practically held the pistol at the heads of the Treasurers of the States by telling them that, unless they agreed to his proposals, the Commonwealth Parliament, when it got to work, would make their position a great deal worse. Those who drew up the Constitution and who, like yourself, Mr. Speaker, were so prominent in their advocacy of State rights, might well have gone further than they did in requiring guarantees for the recognition of the rights of the States.

Mr. WATSON.—The honorable member appears to desire the alteration of the Constitution backwards.

Mr. ROBINSON.—No; but I wish to see its provisions observed. It should be regarded as a Federal Constitution, not as an instrument for unification. The energies of the honorable member, and of his party, however, are, consciously or unconsciously, directed towards unification.

Mr. WATSON.—We recognise the limitations of the Constitution, and know that we must work within them.

Mr. ROBINSON.—The last question upon which I wish to touch is that of Federal expenditure, and I hope that the representatives of New South Wales will bear with me when I say that I am not in favour of expending money in building a Federal Capital.

Mr. CONROY.—What about observing the conditions of the Constitution?

Mr. ROBINSON.—After a careful study and consideration of the question, I believe that a mistake was made when the Convention decided that the Federal Capital shall not be in one of the large cities of the Continent. The experience of America is that the establishment of capitals, both for the Federation and for the States, in the bush, has been a fruitful source of corruption and improper influence. Honorable members have from time to time complained of the strictures of the press, and at the last general election I was chastised with almost parental vigour on more than one occasion. At the same time, I think that the press exerts a good influence in giving publicity to all our doings. Once the Federal Parliament is buried in the back-blocks, it will be lost to the fear of that publicity, and will probably allow jobs to be perpetrated which would not otherwise be possible. I hope, therefore, that the Constitution will be amended in the direction of making Sydney the Federal Capital for, at any rate, the next twenty-five or fifty years.

Mr. RAMFORD.—No. Melbourne.

Mr. ROBINSON.—I am not so selfish as to wish that the Federal Capital should be established here. It is desirable that the Federal Parliament should meet at some large centre, and in view of the associations of the mother city, I think that it should receive the first consideration. I fully recognise the great claims of New South Wales. I believe that that State would never have entered the Federation but for the assurance that the Federal Capital would be located within its territory, at some reasonable distance from Sydney. I hope that this question will be settled, because it gives rise to much debate. Although I think that it would be a mistake to establish a Federal city in the wilds, yet if the majority of the two Houses see fit to fix upon an inland site, nothing remains but to carry out their decision, provided that the proposals for building are characterized by strict regard for economy. We should do nothing to hamper the States Treasurers at the present time. One has only to look at the conditions which have to be met by the State Treasurers of Victoria, South Australia, Queensland, and Tasmania, or to recognise the immense difficulties under which they labour in their endeavours to make their ledgers balance,

to be satisfied it would be the height of wickedness on our part to sanction extravagant expenditure. It would completely disorganize the States finances. For this reason I intend to oppose all billet-making proposals, such as those relating to the appointment of the Inter-State Commission and the High Commissioner. The States expenditure upon Agents-General will not be decreased, and the proposed outlay upon an Inter-State Commission can very well be postponed for years to come. I intend to consider how each proposal for spending money submitted would affect the States Treasurers. They should be entitled to our first regard, because they are more closely in touch with the taxpayers than we are, and will have to bear the brunt of any extravagance on our part. Our duty, therefore, is to protect them as far as possible. I desire to once again express the hope that when this Parliament becomes properly shaken down, the different political parties will group themselves into Nationalists and Federalists, thus copying the splendid example of the United States. For many years the Federalists were successful, and their very successes enabled the Nationalists later on to carry out the sound and progressive programme which has been so successful in that country.

Mr. GLYNN (Angas).—The honorable member for Wannon during his excellent speech, expressed the opinion that some consideration should be extended to his youth. I am sure that there was nothing in his utterance to indicate youth except the freshness of it. Both in his case, and in that of the honorable member for Wentworth, the electors are to be congratulated upon having sent into the Federal Parliament excellent representatives of the young manhood of Australia, who will undoubtedly do their part in maintaining at a high intellectual level the tone of this House. In view of the despondent tone of the Prime Minister at the Australian Natives' Association banquet, when he indicated his fears of trouble owing to the peculiar balance of parties, I might congratulate the Government upon the fact that they still retain their seats in the second week of the first session of the second Parliament of Australia. The retention of their position is all the more noteworthy because they have been weakened by the elevation of two of their leaders to the High Court Bench; they have lost, perhaps, their most virile member

through the resignation, upon a point of principle, of the right honorable and learned member for Adelaide; and they have also been sent back by the electors with a somewhat curtailed following. I do not wish to refer to their administration, except upon one or two points. Although I may have to trespass upon ground that has already been well trodden, it is only right, when one considers that the Ministry do not wish to refer to their administration, to take notice of them in a general debate of this kind. Some of the matters referred to, such as the employment of coloured labour on the mail steamers, are such that if reprehensible action has been taken, the responsibility must rest upon Parliament. If there was anything wrong in including in the mail contracts a clause relating to the employment of coloured labour, the responsibility must rest upon this House, which accepted the proposals without even going to a division. I am almost sorry that I did not propose the amendment I suggested to some honorable members on this side of the House, and to some members of the Labour Party, which I think might have relieved the Government of some difficulty. I suggested that instead of compelling the Government to exclude from the right of tender companies that employed coloured labour, preference should be given, other things being equal, to steamers upon which only white labour was employed. Although it might seem a strong step to take, I think that the error we made should be retrieved by the amendment of the Act. I say that, although I am quite as much in favour of the principle of a White Australia as are the members of the Labour Party. In fact, I voted for a straight-out prohibition of coloured labour in preference to the provision which now finds a place upon our statute-book. I do not think, however, that the principle of a White Australia is affected by the mere inclusion in the Post and Telegraph Act of the declaration of a moral principle, because it does not amount to anything more than a political homily. It does no good to the principle of a White Australia, and it has no substantial effect either in restraining coloured labourers from coming to Australia, or preventing the depreciation of the wages of those employed upon mail steamers. The contracts entered into with the crews are through contracts, and cannot possibly affect the rate of wages in Australia. It is unfortunate that in these times, when so much is

being said about the Imperial spirit, we should be embarrassed in our relations with the British Government. We belong to the Empire, and should do our best to help the mother country. But in connexion with the mail contract we find that the Imperial Government have still to pay the subsidy in connexion with the Australian postal traffic. A general contract is entered into for the carriage of mails between Great Britain and China, India, and Australia, the payment made being £300,000 per annum. Therefore, whilst that contract lasts, and I believe that it has still two or three years to run, we shall have the benefit of that portion of the subsidy which relates to the carriage of the Australian mails. A lump sum is paid for the three services, but it is estimated that the proportion contributed for the Australian service is £98,000. When no real principle is furthered it is a great mistake to interfere with the expeditious transit of our mails, and the great conveniences that are afforded under the mail contract system. We can ill afford, in these days of severe commercial competition, to do without such advantages. I have seen it stated that, owing to some of the mail steamers reaching here within thirty-one or thirty-two days from London it very often happens that the invoices relating to goods shipped by ordinary steamers can be sent by mail at a date subsequent to the despatch of the cargo, and yet arrive here in time for use in the clearing of the imports. Many conveniences are offered by these services, and it is a great mistake, when no substantial benefits result from an abstract declaration of principle, to interfere with them.

Mr. FISHER.—The commercial conveniences referred to have not been extended to Queensland.

Mr. GLYNN.—Perhaps not. But we shall not cause the steamers to extend their facilities to Queensland by inserting a special clause in our mail contracts prohibiting the employment of coloured labour. On the other hand, such a provision may have the effect of preventing the mail steamers from calling at Adelaide. It is almost certain that, after a time, the P. and O. and Orient steamers will not regularly call at Adelaide if they are to be prohibited from tendering for the carriage of the mails. With regard to the *Petrian* incident, there no doubt that there has been a great deal

of confusion. On reading the newspaper accounts, it seemed to me that the Ministry were much more open to condemnation than appears after the perusal of the papers laid upon the table by the Government. Upon some points there is a great conflict. Still, where the Government have to administer a drastic enactment, they should make provision for an exceptional case like that of shipwreck. It was a great mistake for the Government to wrangle with Messrs. Gollin and Co., Mr. Terry, and Mr. Stewart, for five solid hours, whilst the men were down at Williamstown waiting to land. The vessel was stuck up at Williamstown with a constable on the pier to prevent the men from landing, whilst the question was discussed whether the men should be landed at the quarantine station, or be placed upon a tug. The agents of the vessel were unable to obtain any definite advice, and in the end were told that they could land the men upon their own responsibility. The Government should have made provision for such an emergency. As regards the *Stelling* case, the Act was administered after the man was released, and, to say nothing about his offence in landing contraband goods, for which he paid the penalty, the test was applied in a manner quite opposite to that which was to be expected, after the promise made by Sir Edmund Barton as to the method of administration. When the Bill was introduced provision was made that the immigrant should be examined as to his knowledge of some European language, and I think that the honorable member for Melbourne moved that the language should be selected by the immigrant. He made the suggestion, and I think I moved in the matter. Sir Edmund Barton objected. He accepted part of my amendment, which was to the effect that instead of the language being read out to the Customs officer, it should be dictated. But he objected to the Government being expressly bound to allow to the immigrant the right of determining the language to be used for the test. In fact, he urged that it would betray a want of confidence in the administration of the Act by those who framed it. He said—

If a Swede were asked to write a passage at dictation, I should not dream of instructing the officer to subject the immigrant to a test in Italian. That would be unfair, and is not what the House has in its mind in passing this legislation.

I then pushed the matter a little further, because I recognise that we owe a duty to other countries. Surely it is against all rules of international comity or equity that we should place on the statute-book a provision of which the administration is not clear. Under the guise of a colour test we should not apply a language test which might run, at the option of the officer, from English to Chinese. But, again, Sir Edmund Barton pointed out that the Ministry ought not to be distrusted in this matter. He said—

I do not think I ought to consent to an amendment which really has at the bottom of it a supposition that there might be cases in which an officer and a Minister might conspire to defraud an immigrant out of his choice of language. That is not the way in which any such Act can be administered.

But that is the way in which it has been administered. Of course the Ministry may say that we intended the education test to exclude coloured aliens; if that is the intention, I say that it is more in accordance with the dignity of a nation to expressly say so. Some of our strongest critics at home have stated that they cannot see any reasonable objection to a colour test pure and simple, considering that Australia is situated so close to the energetic and teeming millions of Asia. Regarding the case of Stelling, I do not know that he should have fallen under the colour test. The dominant blood there is European. There is an Arabian and European cross, and we all know that in such cases the breed is generally dominated by the higher blood. I do not wish to refer to the case of the six hatters further than to say that though similar legislation exists in America, there is no other country in the world in which labour contracts are regarded as a bar to the admission of subjects of the same Crown. We in Australia, for example, prior to federation, would not have tolerated legislation which would prevent a white resident in South Australia from entering New South Wales. Why? Because we are subject to the same allegiance. Then, I ask—Does the mere fact of an individual crossing 14,000 miles of ocean to another portion of the Empire alter the case? Certainly not, if there is anything whatever in all this high-flown talk in reference to Imperial solidarity. I think it is probable that if the constitutionality of these provisions were tested from the point of view of applying the test only to British subjects, the Courts would declare that we have no power to enforce them.

Mr. FISHER.—Notwithstanding the Constitution?

Mr. GLYNN.—The Constitution gives us no power which was not previously possessed by the States. In connexion with the exclusion of British subjects, it has been laid down, apparently by some very able legal writers, that as an inference from the decision of 1747 in the *Aeneas Macdonnell* case, the power to exclude British subjects is not amongst those which are delegated to a colonial Legislature. It is really refreshing to turn from the somewhat pettifogging administration of an Act which enunciates a good principle to a remonstrance against the proposed immigration to South Africa of about 200,000 Chinese. The protest forwarded by the Prime Minister was directed against a wholesale proposal to substitute coloured foreign for British white labour in a country whose inclusion in the British Empire was partly secured by the efforts of Australian soldiers against a method of development the opposite of that adopted here under circumstances by no means dissimilar. The admission of these Chinese must eventually lead to the demoralization of the white labouring classes, who alone give stability and permanence to a community. Within the past twenty-four hours I have looked up the balance-sheets of some of the mining companies whose agitation has resulted in the passage of this legislation in South Africa. Honorable members are familiar with the position of these States constitutionally. The Orange Free State and the Transvaal have each a nominee Legislative Council. The very great majority of their members are nominees of Lord Milner. They are civil servants, and as such, under the rules of official etiquette, are bound to obey his suggestions. It is certain that if we increase the coloured element in South Africa to any appreciable extent, the Transvaal and the Orange River Colony will never obtain representative government. At present Natal has fourteen blacks to every white man, whilst Cape Colony and the Transvaal have four blacks to every white. In the Orange River Colony two-thirds of the population is black, and, on the top of that, it is proposed to introduce 200,000 Chinese. The result must be demoralization of the whites. If these Chinese are admitted, the white residents in South Africa will never obtain the benefit of laws such as operate here—laws relating to the ventilation of

mines, and which insist upon suitable conditions being provided for workmen. Realizing this, those who are interested in the mines have succeeded in getting this particular legislation passed. In Johannesburg there are fifty-three companies, fifty-one of which are in the hands of Jews—principally continental Jews. There are really only two British ownerships, though, in saying that fifty-one of the companies are in the hands of the Jews, I am regarding as to some extent, under Jewish management, the mines of the Rhodes estate. Werner Beit and Co. are, I think, the late Mr. Rhodes' representatives, and, to a large extent the mines are under Jewish administration.

Mr. McDONALD.—Practically, Cohen owns the lot.

Mr. GLYNN.—I am speaking upon the evidence of the official returns for 1903. They are the sworn official returns which are published in the mining journals of South Africa. What are the profits derived from these mines? Let us take the four principal mines of the Rhodes group. Last year the net income derived from them bordered closely upon £500,000, whilst the percentage of profit ranged from a minimum of 10 per cent. to a maximum of, I think, 50 per cent. Upon some of the other mines which are associated with the Rhodes Estate, but which are under the management of another company, the profits reached a maximum of 187 per cent. upon their paid-up capital. It cannot, therefore, be argued with any fairness that these companies were badly situated as regards the employment of labour. I find, also, that the manager of one of the mines, Mr. Cresswell, resigned his position immediately the proposal to introduce Chinese was submitted. Mr. Wybergh, the Commissioner of Mines in the Transvaal, also resigned his seat rather than agree to what he described as "this iniquity." At home, some of the most liberal and sane journalists strongly condemned the movement. The *Spectator* describes it as practically a relapse into barbarism. For example, I find in that journal of 9th January last the following passage:—

If we cannot enrich the Transvaal without this plunge back into barbarism, which we do not believe, the Transvaal may stay poor.

But it need not stay poor on the evidence of the published balance-sheets of the companies. What does the *Times* say upon this question—the *Times*, which has been

earning a reputation of late by varying its position in accordance with whatever popular breeze may be blowing? It has now become a protectionist organ, although a few years ago it was one of the strongest advocates of free-trade.

Mr. KINGSTON.—It is reforming.

Mr. GLYNN.—Some twenty years ago the man who, in the opinion of the *Times*, was bringing about the disintegration of the Empire was Mr. Chamberlain, who is now its legislative idol. The Johannesburg correspondent of that journal, writing on 15th January, 1903, when the proposal for Chinese immigration was first mooted, said—

It is to be hoped that every care will be taken not to adjust present difficulties at the expense of the future, and to lay up for the country a debt, more serious than a monetary contribution, for which posterity may for ever anathematize this generation. By admitting the Chinaman into this country we may be laying up for our descendants a heritage of misfortune before which the immediate prosperity of the colony consequent on the step will sink into insignificance.

But the evidence of the position of the mines in South Africa, the wholesale character of the proposed immigration, and the better class of opinion in England, all point to the fact that the remonstrance given by the Ministry, as the Ministry of a part of the Empire, was well-timed and exceedingly appropriate. If the Chinese find their way into South Africa there will be a relapse into slavery, because they will not only be tied to one employer, but tied to one residence. It is an immigration of the males only. We shall have in South Africa a mixed race—a mixture, say, of mongolians and kaffirs, negro, British, and Dutch, all blending together to produce one effete progeny. It would ill beseem one, on the discussion of an Address in Reply, to dwell at very great length upon the question of preferential trade; but, as it is somewhat disturbing the political atmosphere at home, and as the position of the States is, I think, misrepresented by Mr. Chamberlain—because he has stated that the response of England is being awaited—I shall make a short reference to it. In common with some other honorable members, and more especially those on this side of the House, I regret that the Prime Minister has seen fit to invite Mr. Chamberlain to come out and stump this country in favour of the policy. What did the Prime Minister say in the cablegram

which he sent last December to Mr. Chamberlain? It was almost an imploratory application to him to consider our position—to consider us as one of the intending partners in the scheme of preferential trade. In what way have we become intending partners? I was always under the impression that a State spoke through its Parliament, and not only has Australia refrained from speaking through its Parliament, but Ministers themselves have not adhered to the declarations which they made, some two years ago, in favor of the principle. When speaking at Maitland, Sir Edmund Barton gave not a very enthusiastic, but at least a clear, adherence to the suggestions in favour of preferential trade, which had been made at two or three Imperial Conferences. But when he examined the subject he seemed to follow the example which Mr. Chamberlain set, by first declaring his principles, and afterwards seeking what foundation, if any, they had. He told us in this House that he had looked into the question, and had become doubtful of the expediency of some of the proposals; that he had found that there were questions of reprisals and interference with trade treaties, so far as Canada was concerned. We know that his Maitland policy was never followed by results in this House, nor have the Ministry ever put a proposition in favour of the adoption of preferential trade before the Parliament of the Commonwealth. To say, then, that we are intending partners in this scheme is simply a deception in words. If we are intending partners, where is the necessity to convert Australia to the principle? Does it not show that the Prime Minister himself must have some doubt, even as to the efficacy of his own eloquence in converting Australia to this principle, when he seeks the outside help of Mr. Chamberlain's rhetoric? What I would suggest to the Ministry is that instead of embarrassing us by calling upon us to meet, on a somewhat doubtful platform, Mr. Chamberlain, who at present represents no one, not even himself—because he is not consistent on any policy—it would be far better for them to publish some of Mr. Chamberlain's speeches for the education of Australia. That would be a cheaper way of carrying out what is desired, and it would also prevent political distraction. Mr. Chamberlain himself has republished some of the speeches delivered by him between May and November of last year. If the Ministry would take a few more of the speeches made by him within the last fifteen or twenty years, and publish them broadcast,

we should have, with that impartiality and that fervour which the honorable gentleman throws into every phase of his political belief, a complete statement of the *pros* and *cons* of this question. I would suggest, for instance, that an extract might be made from a speech delivered by Mr. Chamberlain in the House of Commons on the 12th August, 1881, in which he stated that "a tax on food would mean a decline in wages." Then passing over a period of four years, we might have an extract from the speech which he delivered at Birmingham on the 5th January, 1885, in which he said that "property cannot pay its debt to labour by taxing its means of subsistence." There might have been time, perhaps, for even the most sincere politician to develop different opinions in a period of five years. An extract might therefore be published from a more recent speech delivered by Mr. Chamberlain at one of the congresses of the Chambers of Commerce of the Empire, which was held in London on the 9th June, 1896. At the Conference Mr. Chamberlain again opposed the proposition—which he said came from the Colonies—for preferential trade. A proposition, made, I think, by a Canadian, in favour of preferential trade was negatived at that Conference by about thirty-six votes to twenty-five, the colonial representatives voting for it, and the bulk of the others, under the leadership of Mr. Chamberlain, voting against it. On that occasion he said—

This proposal requires that we should abandon our system in favour of theirs, and it is in effect, that while the Colonies should be absolutely free to impose what protective duties they please, both on foreign countries and on British commerce, they would be required to make a small discrimination in favour of British trade, in return for which we are expected to change our whole system and impose duties on food and raw material. Well, I express my own opinion when I say that there is not the slightest chance that in any reasonable time this country, or the Parliament of this country, would adopt so one-sided an agreement. The foreign trade of this country is so large, and the foreign trade of the Colonies is comparatively so small, that a small preference given to us upon that foreign trade by the Colonies would make so trifling a difference—would be so small a benefit to the total volume of our trade—that I do not believe the working classes of this country would consent to make a revolutionary change for what they would think to be an infinitesimal gain.

Surely my suggestion is a convenient and a fair one? It is fair to both sides in this country, which has not yet made up its mind, and it is fair to Mr. Chamberlain. It would show that he is capable of forcibly expressing

the case on both sides. But even so great an authority as is Mr. Chamberlain may be slightly mistaken in his *a priori* knowledge of the Australian position. He states, for instance, that the foreign trade of the Colonies is comparatively small. As a matter of fact, if we look at the volume and character of that trade, we find reasons for doubting his statement and opposing his policy. So far as its character is concerned, it is one which should appeal especially to protectionists. It shows that we should not disturb the existing trade relations of the Empire, because, on the whole, it will be found that the exports of British possessions to foreign countries exceed the imports. That is the protectionist's ideal of the relations of healthy trade, for, according to our protectionist friends, the more one sends out of a country, and the less it imports, the better it is for that country. I find that while the British possessions, as a whole, send 43 per cent. of their exports to foreign countries, only 38 per cent. of their imports come from foreign countries. If we take individual communities, what do we find? Let me refer, for example, to the position of India. Twenty-four per cent. of the imports into India are from foreign countries, but 53 per cent. of its exports go to foreign countries. Again, let us look at the position of Tasmania. We find that 6 per cent. of Tasmania's imports are from foreign countries, but that she sends 27 per cent. of her exports to those countries. Surely our protectionist friends do not wish to disturb that sort of balance of trade? Let us now take Germany, which is really the bugbear of the preferential tariffists. Australia has a large and a rapidly growing trade with that country. Making some allowance for difference of method in estimating values, the figures are these: During 1903 our exports to Germany, according to the German valuation of those exports, were over £6,000,000 in value, while our imports from that country amounted to a little over £2,250,000. That is an excellent trade, which appeals to the sympathy of our protectionist friends. We know, of course, that the balance must be adjusted somewhere, or at all events we free-traders think that such must be the case. Unfortunately we remain in that state of intellectual cloudiness in which we assume that trade after all is a round-about matter, and that adjustments must take place in the clearing-houses of the world. The British Possessions do not send their exports to other countries merely

Mr. Glynn.

because of feelings of international beneficence; they know that the balance will be rectified. It will be found, perhaps, in connexion with Germany, that the rectification of the balance takes place in the export to England of some of those very glass bottles which so much disturb the equilibrium of Mr. Chamberlain. They may be imported to meet some of the interest debt of England. The fact that England has an export trade to foreign countries amounting to nearly £240,000,000 per annum—the fact that about 75 per cent. of the total trade of England is with foreign countries—certainly suggests caution. It is a trade that we should hesitate to disturb. I mentioned a few moments ago that the volume of our trade with foreign countries is a rapidly increasing and profitable one. Practically until 1861 the whole of Australia's exports went to England. While the increase in our export trade with Great Britain between 1881 and 1891 was 27 per cent., the increase in our trade with foreign countries during the same period was 120 per cent. Between 1891 and 1901 the increase in our export trade with foreign countries was 74 per cent., against an increase of only 5 per cent. so far as Great Britain was concerned. Surely those figures do not justify the proposed interference with trade? Let us look at the position with regard to wool. Until 1881 practically no wool was sent by Australia to the Continent. In that year I believe there was a shipment of about £54,000 worth, but last year we sent to the Continent over £10,000,000 worth of Australian wool. If we enter into a system of preferential trade with Great Britain, surely our neighbours—who are fairly expert at the game of reprisals, because the system has been tried before and has failed—may include in their scheme of reprisals a tax upon Australian wool. It may be said that our wool is essential to Germany; but is that the position? I mention Germany because about £4,000,000 worth of our exports of wool go to that country, but the wool of the Argentine is now competing with our own in that market.

Sir WILLIAM LYNE.—It is not of the same class.

Mr. GLYNN.—Experts tell me that it is equally as good as our own.

Sir WILLIAM LYNE.—No.

Mr. GLYNN.—Experts, of course, may differ. I am not speaking on mere personal suggestion, but I have learned that the

Argentine wool is gradually competing with the Australian production.

Mr. G. B. EDWARDS.—Its quality has not been as good as our own, but it is becoming equal to the Australian production.

Mr. GLYNN.—Quite so. If the game of international trade reprisals is pushed to its limits, England, under its new protective policy, will have to impose a tax on imports of manufactured articles from Germany. In other words, goods made there from Australian wool may be taxed in England, and our exports of wool will be checked by the very policy which is to industrially develop the Empire. I put it to honorable members that this question requires a little more analysis at the hands, even of Ministers, than it has hitherto received. The case of Canada will be cited. But what do we find there? We find growing discontent among the manufacturers of the Dominion at the preferences granted to Great Britain. An official memorandum was issued last year by the Government, and from it I make this extract—

The Canadian Government has been attacked by the Canadian manufacturers on the ground that the preference is seriously interfering with their trade. The woollen manufacturers have been foremost in the attack, and they have made very bitter complaints to the effect that the industry is threatened with ruin through the severe competition from Britain, brought about by the duties.

We have there on a small scale an instance of the inter-Imperial discontent which will be promoted by the policy of preference. Canada has done a little more than New Zealand in this matter. New Zealand has done the opposite to what Mr. Chamberlain suggests. She has added 50 per cent. to her duties upon foreign imports hitherto taxed, and has placed duties of 20 per cent. upon articles hitherto free, while giving a concession in regard to Indian tea. One of the arguments of Mr. Chamberlain and his followers is that the dumping of cheap foreign products into England must be stopped, and the iron trade has been particularly referred to. I believe that dumping is beneficial to the English iron trade. I have examined the prices given in the Blue Book which has been published, and I find that, while the prices were up in England about two years ago, and the output in some trades was affected by the dearness of the raw material turned out by the iron foundries, an increase in the importation of foreign pig iron was immediately followed by a fall in prices, which stimulated the industries for which pig iron is the raw material. But what country is it that does

the dumping? Under a system of preferential trade dumping from places within the Empire could not be prevented. Dumping by Canada and by Australia, if we produced iron for export, could not be prevented, and Canada grants a bonus for the production of iron and has a protective duty to prevent its importation. In 1902 the total importation of pig iron into Great Britain from foreign countries amounted to 226,000 tons while the local production was about 8,500,000 tons. Therefore not much evil can result from the petty competition of the imported article, some of which, by the way, is iron of a class which cannot be produced locally. But from what country is that iron chiefly imported? I find that the importation from Canada more than equalled the total importations from Belgium, Holland, and France, and more than doubled the importation from the United States, 103,000 tons coming from Canada, 78,000 tons from Germany, Holland, and Belgium, and 45,000 tons from the United States. Those figures show what a big cry has been raised about a very petty evil, if this importation is an evil. In any case, it is an evil which would not be cured by a system allowing the taxation of foreign imports and free importation from other parts of the Empire. We have heard a great deal about the need of assisting our declining mother country. I see no evidence of the statement that the zenith of England's commercial greatness has been passed, even if it has been reached. A country, a little country with a total foreign trade worth more than £900,000,000, and with a steam tonnage afloat almost equal to half the total mercantile marine of the world, that is the centre of an Empire with a population of 400,000,000 people, of whose territorial extension it has been proudly said that—

Her morning drum's beat, wakening with the sun, and keeping company with the hours, encircles the globe with an unbroken chain of martial airs—

is not yet upon the list of vanishing powers. If she ever does give signs of failing; if, moved by a sense of coming decrepitude, the mother country calls for assistance from her children, I feel confident that the affection which has never yet failed her in times of danger will not require the material stimulus of Mr. Chamberlain's series of pettifogging preferences. Now, to come to a subject which is a little more abstruse, but upon which not very much has been said, I shall make a short reference to the conversion of the debts of

the States. I find that the Treasurer says that the Constitution will have to be amended in order to carry out the policy suggested by the Conference of Treasurers. In the Convention I several times pointed out that it would be a mistake to follow the Canadian example of taking over the debts of the States as from the date upon which the Constitution came into force. That course was right enough in the case of Canada, because the debts of all the provinces were taken over at once, but it cannot be followed here, because there is a balance of debts which we cannot take over, and which at the present time runs to about £25,000,000. In the Convention I urged the necessity for making the provision to make which the Treasurer now wishes to amend the Constitution. I then said—

If you are to limit the debts to be taken over hereafter to the ensuing debts of the Commonwealth, you may subsequently find yourself in this position: that you will be unable to take over any new debts incurred by the States or debts the character of which has varied.

What was the objection taken to that? It was that by taking over all the debts compulsorily under the Constitution we should lose our power of bargaining with the creditors of the States for a premium. I do not think that there will be £1 of premium obtained upon taking over the debts of the States until we have established a reputation for stability and sound financing. Canada took over the debts of the provinces, but there was no sudden rise in the price of her securities as compared with the old quotations. The Canadian 3 per cent. consolidated stock now stands at £97; but why is that? It is due, not to the fact that the debt is a Federal one, but to the Canadian balance-sheet. Surely if a consolidation of securities upon the Federal principle is good, a consolidation upon a unitary principle should be better. But if that be so, how is it that the 3 per cent. stock of France stands much higher than the 3 per cent. stock of the federated German States, the one being quoted at £97, and the other at £90. The difference is due to the difference between the balance-sheets of the two countries. Germany has to impinge upon its loan moneys in order to make up deficits in its revenue, while with France things are different. The New Zealand 3 per cent. stock stands at £90, while the Westralian 3 per cents. are quoted at from £85 to £88—because in a mining community prices are always subject to greater fluctuations

than elsewhere—while the average price for the States generally is about £86. The difference between the price of New Zealand stock and the lowest-priced Australian stock shows the difference in the estimation of the English public of the value of the two securities. In Canada the land belongs to the Dominion, and so do the railways, with the exception of those which are privately owned. Canada, too, has a population of about 5,750,000, while our population is less than 4,000,000, and we owe, according to the Treasurer, about £228,000,000 as compared with the Canadian debt of about £76,000,000, most of which is a Federal debt. Furthermore, we have practically no sinking funds in Australia, and those which we have are almost nominal, while of the interest paid upon the Canadian debt—£2,700,000 a year—about one-fourth—is assigned to a sinking fund. Those facts show why Canadian 3 per cent. stock is quoted at £97. If we take over the debts of the States we shall not get a premium until we have justified, by our financing and development, the confidence which investors place in Canadian financing. I favour the taking over of the debts of the States when it can be done, because, although I do not think we shall realize the anticipations of the Treasurers of some of the States, it will be a good thing to have a uniform stock and one authority to deal with the Federal assets. We must, however, put a limitation upon the borrowing powers of the States. It would be suicidal for the Commonwealth to take over the debts of Australia without placing a limitation upon the borrowing powers of the States, because otherwise we should have seven authorities dealing with the same assets without any check one upon the other. There are only two more subjects upon which I shall detain honorable members. The Prime Minister hopes that a stimulus will be given to our development by the encouragement of State immigration, and he referred to the experience of Canada. I would point out, however, that the £120,000 a year spent by Canada became effective only quite recently, when very fertile and valuable land in the north-west of the Dominion was thrown open for settlement. If we can afford opportunities for settlement similar to those given by Canada during the last two or three years, similar results may follow, but, otherwise, we may spend £100,000 a year without gaining any advantage. The increase of population in Canada was 150,000

more in the ten years which elapsed between 1871 and 1881 than in the decade which ended in 1901. It is only within the last eighteen months that it has largely increased. Let us induce immigration by attending to the conservation of water as well as to the opening up of land. We should endeavour to settle the rivers question once and for all. But what has the Federal Government done in the matter? Nothing but talk.

Mr. DEAKIN.—What is it rests with us to do?

Mr. GLYNN.—Part of the jurisdiction over the rivers is Federal; the Prime Minister acknowledged that in his Ballarat speech.

An HONORABLE MEMBER.—Are the States coming any nearer?

Mr. GLYNN.—We are a Federal Parliament. We should not wait upon the States, but should give them a lead in Federal matters. The Prime Minister stated at Ballarat that the Commonwealth has a voice in this matter in its power to control navigation. I wish it were not such a still, small voice as it has been hitherto. The Commission reported that no apportionment of water can be made between the States for irrigation and water conservation without regard to the requirements of navigation. We, who represent South Australia, ask that consideration be given to this matter. We should pass a Federal law prescribing the Federal sphere in these matters. It is doubtful whether we can exercise Federal jurisdiction over the rivers until an enactment to that effect has been placed upon the statute-book. Last year I asked the Prime Minister whether the new Navigation Bill would contain a provision defining the Federal jurisdiction over the rivers.

Mr. G. B. EDWARDS.—Surely that would not properly come into a Navigation Bill?

Mr. DEAKIN.—An agreement has been arrived at between the three States, and it was to have been laid before each of their Parliaments.

Mr. GLYNN.—But nothing has been done.

Mr. DEAKIN.—We are not responsible for that.

Mr. GLYNN.—But we are responsible for neglecting to act within our own jurisdiction. We have the power to prevent some of the States from drawing off the waters of the upper rivers for the purposes of irrigation to the detriment of navigation. Surely the Prime Minister has the power

to protect the interests of South Australia, as well as those of Victoria. It may interest honorable members to know that, up to the 31st March of last year, the actual diversions from the upper rivers amounted to 50,000 cubic feet per minute, or double the then discharge of the Murray at Renmark. Complaints have been made of the low state of the river at Morgan, at times when, under ordinary circumstances, there should have been ample water for the purposes of navigation at that point. New South Wales has also put forward a number of schemes which would involve the diversion of large volumes of water from the rivers. But these have been ignored by the Ministry. We do not wish to stop the use of water for irrigation purposes, but we desire to see an arrangement entered into that will enable the needs of New South Wales and Victoria to be supplied without interfering with the navigability of the river. The Government have taken no action whatever with regard to the suggestion of Federal locking to Wentworth as a start, and two large schemes of conservation which have been proposed by the Commission. I think we are fully entitled to complain of their inaction. The navigability of the rivers means a great deal to the States. Since the railways began to compete with navigation in England in 1838 the canal system has not been very much developed. Over one-third of the canals now belong to railway companies, and have practically fallen into disuse. If, however, we look to France, we find that since 1877 no less than £30,000,000 have been spent in improving the waterways of that country. During the last fifteen years, the length of waterways open for traffic has been trebled; freights have been reduced 40 per cent., and the traffic itself has been doubled. This result has been brought about very largely by State expenditure. As a matter of fact, over 40 per cent. of the total goods traffic into Paris by rail and steamer is carried by water, whilst over 50 per cent. of the total traffic by rail and water into Berlin is conveyed by the latter means. The same thing is to be found all over the world. Even in America, I find, from recent returns, that 27 per cent. of the total goods traffic of that country is carried by water; although the competing railways charge on the whole, rates only about half as high as those which prevail in England. The rate for the carriage of goods from Morgan to Renmark—a distance of six miles—by land is £6 per ton, whereas the charge by river for a distance

much greater, is 10s. per ton. Therefore honorable members will at once realize what the river navigation question means to South Australia. We ask that the seriousness of both the navigation and irrigation questions shall be considered, and that a scheme fair to all the States be brought about in the very earliest stages of our Federation. Something has been said with regard to the state of parties in the House. Personally I do not feel that there is any reason for public despondency in the fact that parties are so evenly balanced. If Parliament is a reflex of public opinion, the even balance of parties suggests that we should rest upon our oars. According to the proportion of party representatives sent here, there is no momentum; but of course we know that the introduction of measures will create a majority upon one side or the other. We do not want party majorities only, without basic principles or policy; but when measures are placed before the House, and members coalesce around them, the proper lines of differentiation will be drawn. We have heard a great deal about the differentiation of the electors of the Commonwealth into individualists and socialists. I think it is a pity that the community should be divided upon such general lines. It is impossible for any practical politician to describe himself either as a pure individualist or as a pure socialist. Circumstances often compel us to be a cross between the two—at one time an individualist, and at other times a socialist. We are all to a large extent socialistic. Our differences are less those of principle than of the application of principles. For my own part, I am prepared to test every measure on its merits. Regard for the pure theories of individualism and socialism is all very well; but so long as the Government respect the true line of non-interference by the State, which I hold is really bilateral, and commence where freedom of contract begins and monopoly ends, they shall receive my ungrudging support.

Mr. FISHER (Wide Bay).—The honorable and learned member for Angas has favoured us with one of his ablest addresses. He is always courteous and argumentative, and brings to bear upon the matters under discussion a fund of exact information, for which I am sure we are all greatly indebted to him. The subject with which he dealt last is one which has engaged the attention of every honorable member who has taken part in the debate. It seems to be considered necessary to lay

aside the whole question of the Government programme when the state of parties is mentioned; but I would ask what that has to do with the legislation to be submitted to us. Honorable members have been sent here to support certain principles, and surely they will be true to their pledges and vote for those measures which will be best calculated to give effect to those principles. The honorable member for Gippsland launched out against the Labour Party, which he seemed to regard as somewhat dangerous. My feeling is that the programme of the Labour Party is one of the most moderate that could be placed before the country, and that it should receive the approval of every man who has any regard for liberal principles. It is far too moderate for me. If any honorable member who believes in progress can point to anything in the programme of the Labour Party which will not tend to the improvement of the conditions under which we live, I shall be glad to hear his objections. The honorable and learned member for Northern Melbourne expressed a pious regret that the members of the Labour Party were not prepared to undertake the responsibility of carrying out their policy. I wonder where the honorable and learned member obtained that information. If the party to which I belong could rely upon a sufficient amount of support in carrying out its programme, there would be no doubt as to the course it would pursue. The intention is to carry out our programme to its fullest extent, as soon as we can secure the necessary assistance. Any party, elected upon a policy such as our own, which shirked its duty in that regard would not be worthy of the name or the position which it held. It is true that we are to a very large extent inexperienced, but, in this connexion, I would point out that a member of our party, who was subjected to very severe criticism, and who was recently appointed to the position of Treasurer in Queensland, is now lauded as one of the ablest Ministers that State has ever possessed. He was an unknown man, and had never, except for a few days as Treasurer of a Labour Government, undertaken official duties of the kind before. He was trained first in the labour unions, and then in the Labour Party, and he has learnt to say "No" and mean it. In this respect, he has assumed quite a novel attitude, but the public are realizing that they have in office a man who has a policy, and who knows how to carry it out. The honorable member for Robertson

suggested, by interjection, that the Labour Party had attained their present position because there were two other parties in the State, and he inferred that we represented a minority vote. Does not the honorable member know that all other parties have combined against the Labour Party, and that it has been the subject of persistent attacks in the press. The honorable member implies that we have no standing in the States, but I venture to tell him that in four of the States we represent a majority. In Victoria, the Senatorial vote showed most unmistakably the commanding position occupied by the Labour Party. In eleven of the twenty-three divisions one or other of the Labour Senatorial candidates occupies a winning position. In the case of Queensland, we secured three out of every five votes that were recorded at the poll. Surely that is not a minority vote. In that State, the percentage of electors who recorded their votes was larger than in any other. In the district which I represent, 67.3 per cent. of the voters went to the poll. That is the largest percentage of votes recorded in any division in the Commonwealth. I represent one of the sugar districts, and the next largest proportion of voters stands to the credit of another sugar district, namely, Herbert, where the proportion of electors who voted was 63.5. This shows that the greatest interest was displayed by the electors in those parts of Queensland where coloured labour is employed, and which it has been stated would be most seriously impaired by the legislation passed by this Parliament for its abolition. Turning to Western Australia, we find that the labour vote was a very large one, and that it predominated over all others.

Mr. CONROY.—Only 28 per cent. of the electors voted.

Mr. FISHER.—The honorable member is, I think, mistaken, because in compiling his average, he has taken the figures only for those districts in which elections took place. In South Australia, we have only the Senatorial votes to guide us. For some reason or other, from the very earliest times, the people of South Australia have secured the services of the ablest men to represent them in Parliament. If there was any case in which the Labour Party should have experienced a difficulty in succeeding, certainly it was in that State. But there the other advanced liberals, preferring a party with whom they would have no trouble in allying themselves, must have

generously accorded the Senatorial labour candidates their support. In view of all these circumstances, I do not think that it is quite becoming of the youngest accessions to this House to point out that the Labour Party is the third party. Personally, I care not whether we are called the "third party" or the "fifth party," but if the evidence of our own senses is to guide us, and judged by the amount of support which we received, we are certainly the first party in the Commonwealth. If our policy is a sound one, undoubtedly, as the honorable member for Echuca has just pointed out, it will prevail. His appeal to the Labour Party sounded very pleasantly to me. In Queensland, it is our good fortune that the farmers are beginning to see that their real hopes centre in the party with which I have the honour to be associated.

Mr. WATSON.—It is largely so in New South Wales.

Mr. FISHER.—Yes. They are awakening to the fact that those honorable members who urge that the farmers should be left alone, and who offer them no substantial encouragement, are not, in reality, their friends. They are beginning to realize that it is the desire of the Labour Party to assist the producers in every possible way. What is our policy? Our platform includes the maintenance of a White Australia, compulsory arbitration, legislation in favour of old-age pensions, nationalization of monopolies, a citizens' defence force, the restriction of public borrowing, and navigation laws. Which of these items is offensive to the most sensitive individual?

Mr. KENNEDY.—What is the difference between that programme and the Government policy?

Mr. FISHER.—We have never complained of that policy, but we may have to complain that the Government declines to go forward. In my judgment the Ministry, from the point of view of its general administration, has been a credit to the Commonwealth. But there are indications that it is inclined to call a halt. In my opinion this is solely due to Victorian influence. A shadow has come over the Government and will not prove a blessing if it causes it to hesitate when it should move forward. Regarding the history of the Labour Party, I should like to ask if at any time up to the present the policy of the party has been a popular one? Certainly not. Since its initiation in 1890, it has not been popular. Indeed, in some of the States the Labour Party was formed in opposition to every

other party. In Queensland it sprang into existence when the great Liberal and Conservative Parties coalesced against the labour interest. We were bound then to create a party and to formulate a policy. The policy was formulated, printed, and as soon as it was drafted, published. The public thus knew exactly the principles upon which we sought their suffrages, and to the credit of the Labour Party it has never once gone back upon the position which it took up before the electors. The honorable member for Gippsland asked what we could do with a platform which is drawn up by an organization, and not by the members themselves. My reply is that if at any time our views conflict with the pledges which we have given to the electors, only one course is open to any honorable man, viz., to return to his constituents, apprise them of the circumstances, and give them an opportunity of electing another candidate. Moreover, it is no new thing for conventions to meet and draw up a programme. It was a convention which compelled the late Mr. Gladstone to move forward in connexion with what is now known as "the Newcastle programme." The "third party" has been referred to more than once during the course of this debate. To my mind there are indications of the early formation of still another party in this House. It seems to me that there are a number of estimable and able representatives here who possess exceedingly conservative ideas upon some matters, and who are apparently about to create a fourth, if not a fifth party. Passing away from this question, I desire to say that the present seems a fitting opportunity for those representatives who believe in a system of elective Ministries to address this Chamber. Personally I do not believe in that system. I have never been able to reconcile myself to the opinion that with a British system of government and with our British ideas elective Ministries are possible. But I know that quite a number of honorable members entertain a different idea, and I hope they will not think it is unbecoming on my part to suggest that the present condition of affairs affords them a splendid opportunity to address the House upon that particular phase of Parliamentary Government. I now pass from what the daily press constantly refers to as the "political situation." In my judgment altogether too much has been made of it. If a little more work were accomplished it would be more beneficial to all concerned. The

Mr. Fisher.

question which I think should be uppermost in the minds of honorable members at the present time is that of making provision for the payment of old-age pensions. I am exceedingly sorry that this matter is again mentioned in the Governor-General's Speech in such a way as to hold out no hope—at any rate, within a reasonable number of years—to those who are deserving of justice in this matter. It seems to me that if we are convinced that the proposal is a just one, and that the aged are entitled to a pension from the Commonwealth, it is one of the first demands which should be made upon this Parliament. We believe that Australia is a more wealthy country than New Zealand, and if from timidity we refuse to establish a national system of old-age pensions we shall be Parliamentary cowards indeed. The mere fact that a difficulty will arise owing to our inability to raise the necessary money except by means of direct taxation should prove no bar to members of the Opposition. I was exceedingly sorry to hear the leader of that party declare in the last Parliament that he could not favour direct taxation. If we are to meet our obligations we must face them manfully, and be prepared to accept the consequences of our acts. How long are we to administer the affairs of Australia by leaning upon the Customs revenue alone? If we were attacked by a hostile force would the Government hesitate to introduce proposals for direct taxation? Why should the most inequitable form of taxation be the constant policy of a Government which believes in equity and right? Surely some Minister will arise who will have the courage to tell Australia that certain things are just, and who will appeal to the people to allow him to carry them out.

Mr. G. B. EDWARDS.—Is direct taxation one of the planks in the platform of the Labour Party?

Mr. FISHER.—It is not included in its programme; but I have no hesitation in subscribing to it myself. I subscribe fully to direct taxation for any necessary purpose.

Mr. KELLY.—What exemption would the honorable member propose?

Mr. FISHER.—In the words of a very celebrated parliamentary leader—I think it was Sir Robert Peel—"I will prescribe when I am called in." I come now to the question of the Conciliation and Arbitration Bill, which, however, I shall not discuss at any length at the present stage. I am of the opinion that, in exempting public servants

from the operation of the measure, the Government are disregarding the voice of the country. The argument which has been used by the honorable member for Gippsland, and several others, that to extend the operation of the measure to them would be to interfere with State rights, and with the revenue of the States, carries no weight with me. The adoption of that course would have no more effect upon the States than the establishment of the High Court has had. The only question that causes me any concern is one with which the lawyers will have to deal—the question whether we have the constitutional power to give effect to our desire in this respect. Every decision given by the High Court in relation to the States, either adds to or takes away from the revenue of those States. Every such act is in reality an act on the part of the Federal Parliament, and must increase or decrease the revenue of the Treasurers of the States. If we interfere with the States by extending the provisions of the Conciliation and Arbitration Bill to States servants, that interference will be, after all, merely a matter of degree, rather than one of principle. I am concerned most of all with the question of principle. I believe in socialistic action on the part of the State for the benefit of the whole of the people, I am also anxious to secure equitable decisions in reference to the conditions of their employés. I desire that those decisions shall be secured apart altogether from the Parliament. I wish them to be obtained in a Court of Justice, which will be far better fitted to decide such questions than any Parliament could be. As I have often declared, a Parliament is the last place in the world in which to look for justice in relation to matters of this kind. It is an incompetent court to deal with the intricate matters of commercial and daily life. Why should honorable members be prepared to establish a Court to interfere, as is proposed, with the private business of a man who has invested his own capital in some enterprise when they refuse to trust the servants of the States to the decisions of the same Court? Why should we fear to subject the servants of the States to the authority of the Court? It seems to me to be hypocritical to say that we cannot trust it. If we are prepared to subject the servants of private employers to the decision of the Court, we should be prepared to deal in the same way with the servants of the States. In that way we shall be better able to secure

the just and equitable rights of the public servants of Australia. It is not for me to point to what I believe to be the gross injustice that has been done to a large number of public servants in this State. The incident in question is but another evidence of the fact that there should be a Court of Justice to intervene between a Government and its employés, because, at times, Parliaments are, undoubtedly, erratic. They should not have the power to impose conditions such as were recently fixed in this State.

AN HONORABLE MEMBER.—Look at the Coercion Act.

MR. FISHER.—It is not for me to deal with that matter. I am sure that, after they have had time to reflect, the public of this and every other State will be able to give a distinct statement of their views in regard to that matter. There has been "much ado about nothing" in reference to the question of a White Ocean service. We learned two days ago that the steam-ships of a service subsidized by the States of the Commonwealth are now being converted into armed cruisers. The vessels of that service are all manned by white labour, and the action taken by the Admiralty fully bears out the statements made by the leader of the Labour Party, which have the support of all its members, as to the result of the policy of a White Ocean. To do justice also to the late Prime Minister, I should point out that, as a member of this House, he showed that the action of Parliament in stipulating that only white labour should be employed on steam-ships subsidized by us would be of assistance to the mother country in times of trial and difficulty. I think that he dealt with that matter most effectively, and we see now that the very first act of the Admiralty in dealing with the vessels of the Canadian-Pacific line has been to convert them into armoured cruisers. Would they have been dealt with in this way had they been manned by coloured crews? To hear some honorable members dealing with this subject, one would imagine that we were endeavouring to do a great injustice to other people. But we are not. We are simply declaring that in expending our money we should have the right to impose a particular condition. The shipping companies themselves have imposed conditions of their own. Some of their apologists say in effect that they should be allowed to make any conditions they please, but that the Commonwealth should not be permitted to impose

anything in the form of a condition. The policy of a White Ocean needs very little explanation, and certainly no commendation from me. The Minister for Defence occupies a position of much responsibility, and he has to work out a great scheme before he will be able to satisfy the majority of the electors of Australia that the present position of the Australian forces is justifiable. There are now so many military experts in the Parliament that it would be unwise for me as a mere novice—as one who can point only to a short service as a volunteer—to make any further reference to this subject. I understand that we have both officers and privates, of the first merit, in this House, to advise us on military questions. I shall, therefore, leave that subject, and refer briefly to the question of taking over the States debts. My view—and I have put it before the electors—is that at least a proportion of the States debts, representing the amount of capital actually expended on the railways of the various States, might be taken over, and that railway revenue equivalent to the interest to be paid on those debts should be hypothecated by the Federal Treasurer. That would be an equitable way of dealing with the matter, and one to which no one could take exception. But the whole question appears to me to be making but little progress. I fear that, notwithstanding the delicacy shown by the Prime Minister and the Treasurer in making terms with the States, some determined policy will have to be pursued; that, if necessary, an appeal will have to be made to the electors to determine the matter. It is useless for us to continue in the present position. Praiseworthy and conscientious as the various States Treasurers undoubtedly are, there are times when it is necessary, in dealing with certain questions, to adopt a broad and bold policy—to place the whole matter before the electors of Australia, and to ask them to determine what shall be done. That is the way in which I think this question will have to be dealt with.

Mr. G. B. EDWARDS.—As in the case of Federation itself, until the people themselves take it up, we shall have no solution of the problem.

Mr. FISHER.—Exactly. I trust that the Government will not lose sight of the desirableness of establishing a Commonwealth Statistical Department. There are many reasons why we should have such a Department inaugurated at the earliest

date. I have no doubt that the Commonwealth is well served by the various statistical officers of the States, but the Department is one that essentially concerns the Federal Parliament and Government, and I trust that at a very early date the Government will bring in a Bill to federalize the Statistical Departments of the States. I shall not further trespass on the time of honorable members. I anticipate that we shall have a very interesting session. So far as I am concerned, I believe that the Labour Party comprises the greatest number of those representatives who are not seeking office or any of the perquisites of government. We are here with a policy, seeking nothing, and desiring nothing, but that the will of the people shall be observed, and that the legislation which they have demanded at the ballot-box shall be proceeded with without any unnecessary delay, and without any quibbling or cavilling as to the position of parties in this House. I shall be exceedingly pleased if the legislation introduced by the Government is such that it will secure the greatest good for the greatest number.

Mr. CARPENTER (Fremantle). — I move—

That the debate be now adjourned.

Mr. DEAKIN.—That is impossible at this early hour.

Mr. CARPENTER (Fremantle).—I am led to submit this motion by the knowledge that, although no honorable member now appears to be ready to proceed with the debate, several honorable members who desire to speak are absent.

Mr. DEAKIN (Ballarat—Minister for External Affairs).—We cannot help that. It is now only 9 o'clock, and it is perfectly impossible for this debate to be adjourned at so early an hour. Honorable members will recognise that the admonition we have just heard to expedite our progress is a very wise one, and that we should proceed with our business with the least delay. I do not mean to say that a debate on an Address in Reply does not constitute business. Such a debate has many valuable purposes. It enables honorable members to discuss matters with which there would otherwise be no opportunity to deal for some time—

Mr. SPEAKER.—The honorable and learned gentleman cannot make a speech at this stage.

Mr. DEAKIN.—It is absolutely necessary that the debate should be continued,

and as there are a number of honorable members who desire to speak, I would point out that now is their opportunity to come forward.

Mr. KENNEDY.—Do I understand, Mr. Speaker, that the question before the Chair is the adjournment of the debate?

Mr. SPEAKER.—The motion for the adjournment of the debate has not been seconded, and I can therefore call upon the honorable member for Moira to proceed with the debate upon the Address, if he desires to speak.

Mr. KENNEDY (Moira).—It is not with a desire to unduly protract the debate that I rise now to address the House, but I wish to give expression to my views on several points which have already been enlarged upon by various honorable members. I shall not refer to the present condition of parties in the House. I assume that honorable members have all been returned on pledges clearly and distinctly given to the electors. I also assume that it is not likely that for party purposes they will deviate in the slightest degree from those pledges. When the honorable member for Wide Bay was referring to the platform of the Labour Party, I was, for the moment, under the impression that he was really reading the Government programme. A comparison will show that, save in matters of detail, there is really no material difference between the two programmes. I wish to direct particular attention to one or two proposals referred to in His Excellency's Speech. Old and familiar as they are, it appears to me that their fulfilment is almost as remote as ever it was. With respect to preferential trade, important as it is, what hope is there of this or of any other Government making any headway or formulating a proposal which can receive the consideration of this Chamber until some proposition has been put forward by the Imperial Government? That necessarily must be the first stage. That being so, I do not view it as being within the realm of practical politics this Parliament. The leader of the cause in Great Britain has himself admitted that he is not hopeful about getting his policy assented to by the people of that country at the ensuing elections. I would, however, draw attention to the statement of the leader of the Opposition that the idea of a protectionist community offering preferential trade is ludicrous in the extreme. Surely the right honorable gentleman must have forgotten that Canada has been the

first in the field in giving a preference, and our Tariff is practically a free-trade one as compared with that of the Dominion. How can it be ludicrous for the Commonwealth to move in the matter, when Canada has already done so?

Mr. DEAKIN.—New Zealand, which is another protectionist country, has also done something.

Mr. KENNEDY.—Yes. It is, however, useless to discuss this question until it comes within the realm of practical politics. Much attention has been given to the administration of the Immigration Restriction Act, and to the provision in the Post and Telegraph Act prohibiting the Government from entering into contracts for the conveyance of mails by steamers employing black labour. So far as the Immigration Restriction Act is concerned, I see no reason for altering my original attitude in regard to it. I have always been opposed to the introduction of labour under contract, and I am now more than ever convinced that those who took that position have the people behind them, while I am sure that the electors are not going back upon the policy which requires the exclusion of coloured aliens. With regard to a remark made by the honorable member for Gippsland last night, to the effect that the withdrawal of subsidies from mail steamers employing black labour may injure the producers of Australia, I wish to point out that the first and only concession which our producers have been able to obtain in regard to the reduction of freights for the transport of perishable produce to Great Britain was given, not by the companies employing coloured labour upon their steamers, but by companies employing white labour exclusively. That fact is well known to all engaged in the trade, and it should be better known to the producers of Australia. Then, again, it is a peculiar thing that some two or three years ago it was the companies upon whose steamers black labour is employed which combined to attempt to keep up the rates of freight for perishable produce sent to Great Britain. However, I do not feel able to continue the debate just now; but I express the hope that all parties in the House will concentrate their attention upon securing what is best for the whole Commonwealth.

Mr. McWILLIAMS (Franklin).—I am afraid that the interest in this debate has to some extent died out. So many subjects are covered by the speech of the Governor-General that no honorable member can be

expected to deal with more than a few of them; but there are one or two which I regard as of the utmost importance to the State which I represent, and upon which I should like to speak from the Tasmanian stand-point. There seems to have been a disposition on the part of honorable members to find fault with the manner in which the recent elections were conducted. Of course, every honorable member must speak for his own State; but it is only fair to say that, so far as Tasmania is concerned, the preparation of the rolls and the conduct of the elections left very little to be desired. It must be satisfactory to those who had the management of affairs in Tasmania to know that, although the system was new to them, and they had the work of enrolling the whole of the women of the State to undertake, in addition to having to conduct the elections in accordance with regulations differing entirely from those hitherto followed there, errors were much fewer than might have been expected. About the only irregularity which occurred was the omission of a deputy returning-officer at a very small centre of population to sign his name on the ballot-papers. Honorable gentlemen will pardon me if I place before them the Tasmanian point of view in regard to the proposed Navigation Bill, to which reference has been made, and which is of the utmost importance to the island State. I am in complete sympathy with the representatives of Western Australia in their objection to any attempt to apply the "common rule" to the whole of the Australian coastal trade, because it would work grave injustice, not only to Western Australia, but, to a greater degree, to Tasmania. The great aim of those who are interested in one of the chief industries of Tasmania—an industry which in the very near future will probably be the principal industry of that State—has been to encourage competition for freight amongst steamship companies from abroad. The example set by the people of Tasmania in opening up the English market by exporting their apples to London is such as might well be followed by producers elsewhere. Those engaged in the fruit industry in Tasmania have not asked for protection, for bonuses, or for State assistance of any kind. They have at their own expense developed a very large export trade to England. This season some twenty-seven steamers will take away upwards of 300,000 bushels of apples from Hobart. Next year the export of apples amount to 500,000 bushels, and before

five years are over the quantity sent away will be upwards of 1,000,000 bushels. The growing of apples in Tasmania is confined almost wholly to the electoral division which I have the honour to represent, and speaking on behalf of those engaged in the industry, I say that if it would embarrass the Government to place in the mail contracts clauses providing for accommodation for the conveyance of fruit or other produce, we can do without them. We have opened up our own export trade without State assistance. But, having done so, we also say to the Government—"Do not interfere with the trade; hands off our export trade." It will materially affect the export of apples from Tasmania to England if the Navigation Bill is so framed as to prevent any steamer from taking, say, 1,000 bushels of apples from Hobart to Western Australia.

Sir JOHN FORREST.—I do not think there is any export of apples from Tasmania to Western Australia now.

Mr. McWILLIAMS.—No; because the Western Australian regulations shut out our fruit, and some of the other States, by similar methods, endeavour to the best of their ability to prevent Inter-State free-trade.

Mr. FISHER.—New South Wales, the great free-trade State, is the worst offender in that matter.

Mr. JOSEPH COOK.—No; the least.

Mr. McWILLIAMS.—The chief sinner is Victoria. In this State wharfage or primage dues, amounting to 5s. per ton, are levied upon potatoes.

Mr. TUDOR.—Are not similar rates levied at Burnie, in Tasmania?

Sir WILLIAM LYNE.—Yes.

Mr. McWILLIAMS.—If that be so, I hope that steps will be taken to have them removed. Until all such restrictions are removed, we cannot have Inter-State free-trade.

Sir JOHN FORREST.—In Western Australia we are afraid of the codlin moth.

Mr. McWILLIAMS.—A proper system of inspection would prevent the introduction of codlin moth into Western Australia. Besides, fruit exported to such a distance would not be likely to contain codlin moth. The Commonwealth should try to develop trade between Tasmania and States having warmer climates. Our object should be to secure, by means of Inter-State free-trade, the fullest interchange of the products of the temperate and tropical climates within Australia. Honorable members may hear

with some surprise, that there is at present no direct communication between Tasmania and other Australian ports than Melbourne and Sydney. If we wish to ship to Adelaide or Brisbane direct, we cannot do so; our produce must be transhipped at Melbourne or Sydney. Surely our difficulties and disadvantages are a sufficient handicap upon us without adding to our troubles. At the present time, although two companies send steamers to Tasmania from Australia, there is practically no competition between them. I ask honorable members who know more of the coastal shipping trade of the mainland than I do, what competition is there among the shipping companies here? There is such a thing as—I must not say a combine—but an arrangement between the shipping companies that they will not trespass upon each other's preserves, and if the Navigation Bill is carried, we shall simply create a monopoly and further handicap the producers of Australia. As one honorable member has stated, we shall place our own producers at a disadvantage for the benefit of the shipping companies. One of the greatest curses in America has arisen from navigation legislation such as that now proposed to be introduced here. The moment that we throw the whole of our export trade into the hands of the Australian shipping companies, we shall encourage the creation of a trust. There would be no competition, and the whole of the shipping and producing interests of Australia would be placed within the control of such rings as have arisen in America. It would be absolutely preposterous to prevent residents of Tasmania from proceeding to Melbourne or Sydney by the large steamers which visit their ports for the purpose of conveying their exports to the mother country, and to insist that they should travel 130 miles overland to Launceston and take steamer there in order that they might pay tribute to the shipping rings of Melbourne, Adelaide, or Sydney. If the Navigation Bill is passed, I hope that Western Australia will secure exemption from its provisions until railway communication has been established with the eastern States, and that Tasmania will be similarly freed from the operation of the law until she can enjoy the advantages of railway communication with the mainland. Speaking seriously, this is a subject of the utmost importance to us as an island State lying 12,000 or 13,000 miles from the market which we are now opening up. England is the only market we have for our fruit, particularly for our

apples, and I would ask honorable members to think very seriously before they further handicap the State which to-day is making the greatest financial sacrifice for Federation.

Mr. MAHON.—But the people of Tasmania have the money in their pockets instead of in the Treasury.

Mr. MCWILLIAMS.—No, they have not. That is one of the greatest mistakes made by those who have not grasped our financial situation. What would be the position of Victoria and New South Wales if Federation had caused either State to lose 30 to 33 per cent. of its Customs revenue? When it is stated that Tasmania has lost £150,000 of Customs revenue, the amount does not seem very large to those States which have been accustomed to deal with much more pretentious figures, but perhaps it may help honorable members to realize the position when I say that we have lost practically one-third of the whole of our Customs revenue. What would be the position of Victoria or New South Wales if they had been subjected to a similar loss?

Mr. POYNTON.—Is not the money which has been lost to the Treasurer still left in the pockets of the people?

Mr. MCWILLIAMS.—No, it is not. Prior to Federation Tasmania levied duties under its tariff wholly and solely with the object of obtaining revenue. It was impossible to obtain the required amount without incidentally affording protection in some instances, but the whole object of those who framed the Tariff was to obtain revenue, and they derived from the people a larger proportionate amount than was contributed by the residents of any other State. Under Federation an alteration has been made in the incidence of taxation. Whilst some of those articles which formerly yielded a large amount of revenue are admitted free protective duties have been placed upon other goods. The Government of Tasmania are not receiving the same revenue that they did before, and the people are not deriving any compensating advantage. Owing to the loss of revenue from Customs duties we have had to impose an income tax, which, I believe, is the heaviest in the world. We also have to bear the burden of the heaviest of land taxes, both for local and State purposes, and yet, in spite of all this, our Treasurer is in financial difficulties. I thoroughly indorse the statement made here to-day that, whatever may be the policy of this Parliament, it is our bounden duty, during the first few years of our existence, to

regulate our legislation in accordance with the necessities of the smaller States. We are thankful to the Treasurer for the consideration which he has from time to time shown to us. Reference is made in the Governor-General's Speech to the necessity for economy, and with that sentiment I am thoroughly in accord. When, however, I look for some manifestation of the economical spirit I fail to find it. We have established a High Court of Australia. I do not wish to reflect upon the action of the previous Parliament, but I think that it is now almost universally conceded that the Federal Parliament was premature in its action with regard to the creation of that tribunal.

Mr. DEAKIN.—That is not the opinion of any one who knows.

Mr. McWILLIAMS.—What I do know is that the gigantic intellects of three of the best men in Australia are now occupied in settling issues of a most trivial character.

Mr. DEAKIN.—They will decide during the present week one of the most important matters that has ever been dealt with upon this side of the world.

Mr. McWILLIAMS.—That is the question, whether the Deputy Postmaster-General of Tasmania should affix a duty stamp to the receipts which he gives when receiving his salary. If that is a matter of sufficient importance to tax the gigantic intellects of the High Court, then I am sorry for them.

Mr. DEAKIN.—If it were not settled by the High Court it would have to be remitted to the Privy Council.

Mr. McWILLIAMS.—It would have been far better to allow it to go to the Privy Council than to saddle Australia with a High Court which has nothing to do.

Mr. DEAKIN.—There are eight cases now awaiting their decision in Sydney.

Mr. McWILLIAMS.—The case upon which they are now engaged is one which involves the decision whether it is in accordance with the law to make the small mark opposite a candidate's name within the square, outside the square, or across the line of the square.

Mr. DEAKIN.—That is a matter of great importance to the men for whom the electors vote.

Mr. McWILLIAMS.—There is nothing in such a case to necessitate the appointment of a High Court, with all the paraphernalia surrounding it. I grant that, according to the Constitution, it was neces-

sary to create a High Court, but there is no reason why we should not have secured the services of some of the States Supreme Court Judges, who would have been just as capable, and commanded as much confidence, as the present High Court Judges. It is proposed that we should have a High Commissioner, but I do not see the necessity for having Australia so represented in London at the present time. We are to have an Inter-State Commission, for which there is no urgent need. It is also proposed to construct a railway to span the enormous tract of country between the settled portions of South Australia and Western Australia—a line which will have nothing to carry. Then we are to build a Federal Capital in the wilds of the bush, where no one will live. I think that it is time that the whole of the circumstances of the States should be considered. I have been sorry to hear the desire expressed that we should carry on here exactly the same kind of fight that was waged in the early days of the United States. I can clearly foresee that the real division of parties will come about when the fight commences with regard to the question of the unification of the States, when we are required to decide whether the Federal Parliament is to play the part of Aaron's rod and swallow up the whole of the States Parliaments; whether those bodies are to sink into the position of provincial councils; or whether the whole of the sovereign rights of the States are to be maintained. During the early days of the American Federation, Hamilton and others realised that it was necessary, in the best interests of the Union, that strong States Governments should be maintained; that it would not be to the best interests of the country to centralize the whole of the power in the Federal Government. Centralization is always costly, and, under such institutions as we have, would be a huge mistake. For one, I do not wish to see the rights and powers of the States in any sense detracted from. No greater mistake could be made in the earlier days of our Federation than to whittle away, or to in any way belittle the rights and powers of the sovereign States.

Mr. POYNTON.—That could only be done with the consent of the States.

Mr. McWILLIAMS.—It might be undesirable to exercise our powers to the fullest limit. I think that we are proceeding too fast, and that many mistakes were made by the last Parliament. The Postal and Defence Departments were taken over too soon,

and we are now endeavoring to dispose of a number of important subjects, of which Australia has not realized the full significance. No greater mistake could be made than to commit Australia to the selection of a site for the Federal Capital.

AN HONORABLE MEMBER.—That is in the bond.

MR. MCWILLIAMS.—I know that it is in the bond ; but I should like to glance for a moment at the circumstances under which that bond was entered into. They were creditable neither to New South Wales nor to Victoria. New South Wales said that she would not enter the Federation unless she had the capital. "Very well," said Victoria, "you shall have the capital, but it shall not be in Sydney." And because of the childish and silly jealousy which existed between these two great States it is proposed to saddle the whole of the Commonwealth with the cost of establishing a Federal Capital away back in the bush. I admit that, owing to the terms of the agreement, some consideration should be given to New South Wales, and I should be quite prepared for an amendment of the Constitution to provide that the Federal Parliament should sit in Sydney. Personally, I think it would be a good thing if the Parliament sat for three years in Sydney and Melbourne alternately ; but if New South Wales is, like Shylock, going to stand upon the bond, we, like Portia, should, while admitting her claim, insist that New South Wales should get no more than is in the bond. Let us agree that the Federal Capital shall be situated in New South Wales when it is selected, it being understood that the time of selection must still rest with us.

MR. DUGALD THOMSON.—I think the honorable member will find that rather inconvenient.

MR. MCWILLIAMS.—Is it not inconvenient for the rest of Australia to be plunged into the enormous cost which will be involved in establishing the Federal Capital?

MR. CONROY.—Has not the whole of Australia settled that matter?

MR. MCWILLIAMS.—The whole of Australia has accepted the Constitution as it stands. The people of New South Wales must not be surprised if those States which are not prepared to be plunged into an entirely unnecessary expenditure object to the matter being rushed through this Parliament with undue haste.

MR. DUGALD THOMSON.—Then the honorable member must not be surprised at the result.

MR. MCWILLIAMS.—What is the result?

MR. DUGALD THOMSON.—The honorable member must wait and see.

MR. MCWILLIAMS.—Personally, I am quite prepared to accept the result whatever it may be, rather than force financial difficulty, such as is threatened, upon the States. It has been argued that we must get away from Melbourne and Sydney, otherwise we shall never develop a truly Australian feeling on account of the influence which is exercised by the daily press? If the Federal spirit in Australia is such an exceedingly sickly chicken that it is necessary for us to go into the wilds of Australia in order to provide it with a foster mother, it is a very weak chicken indeed. In the light of the history of the early days of Washington I think that the influence of a daily press upon a Federal Legislature is infinitely better than are the influences which would be brought to bear when we were far removed from that press. No worse position could be taken up than that we are not strong enough to argue our own case, and that, consequently, we must run away from the daily press. But do those who take that view imagine for one moment that by removing to Bombala, or to Timbuctoo, or wherever the capital may be located, they will escape from the influence of the press? What influence has the Washington press to-day upon the politics of America? It is the press of New York and the other capitals which really regulate the public life of that country. If honorable members believe that by getting away from Melbourne or Sydney they will diminish the influence of the daily press, as an old pressman I can tell them that they never made a greater mistake. There is another serious phase of this question upon which I desire to say a few words. One of the greatest misfortunes which afflicts Australia to-day is that far too large a proportion of our people is resident in our towns.

MR. BATCHELOR.—That is a good reason for establishing the Federal Capital in the bush.

MR. MCWILLIAMS.—But if that capital is to prove anything like a success it must either attract population from the existing towns—

MR. POYNTON.—According to the honorable member's own argument, that would be a good thing.

Mr. McWILLIAMS.—I do not know that it would.

Mr. PAGE.—The bush is a good place to attract people to.

Mr. McWILLIAMS.—But how long will the site of the capital remain a bush? It must either attract population from the present capitals or it will convert those who ought to be direct producers into indirect producers, of whom we already have far too many.

Mr. FISHER.—Does not the honorable member see that it will pay well?

Mr. McWILLIAMS.—I have never yet known of a Federal Capital which paid well.

Mr. FRAZER.—Has the honorable member ever known of a Federal Capital which was owned by the people?

Mr. McWILLIAMS.—No; but it seems to me very strange that, to paraphrase Pope, we never are, but are always to be blest. When we entered into Federation the glowing pictures that were drawn and the fairy tales that were told in my own State were marvellous. We were assured that a tariff which produced £8,000,000 would provide us with more revenue than we have to-day. We were also informed that as the result of Federation a saving of from £1,250,000 to £1,500,000 annually could be made upon the indebtedness of the States.

Mr. POYNTON.—That is a pleasure which has yet to come.

Mr. McWILLIAMS.—So far I have not heard any scheme formulated which would bestow any benefit whatever upon the States through the federalization of their debts, beyond that which would be conferred if the spectacle of the States tumbling over each other to get upon the London money market could be abolished. That would be a substantial gain.

Mr. POYNTON.—Did not the producers of Tasmania derive a benefit from Federation last year?

Mr. McWILLIAMS. — Undoubtedly Inter-State free-trade has conferred an enormous advantage upon them. Indeed, the whole of the benefits which they have derived from Federation can be described in the words "Inter-State free-trade," and I trust that this House will be exceedingly loth to deprive them of those benefits by means of any wretched Navigation Bill such as is proposed. There is another question to which I wish briefly to allude, namely, that of encouraging immigration. For some time I was puzzled to ascertain what this

Parliament could do in that direction. I have not yet learned that it can do anything beyond endeavouring to arrange for a Conference of States Ministers with a view to considering the subject. As has been pointed out so ably by the Prime Minister and successive speakers, it is absolutely impossible to enter upon any system which is designed to encourage immigration unless we have the key to the situation, namely, the land, in our possession. In Tasmania we are not suffering from lack of settlement to the same extent as is the mainland. We have plenty of land available, and I am very glad to say that in Tasmania to-day settlement is proceeding faster than it is in any other State of Australia. Although there has been a very deplorable decrease of population upon the West Coast, owing to the partial failures of the mines there, the population of the Island State is daily increasing. Seeing that it is proposed to attract immigrants from England, I desire to point out that they are not the class of men who will go into the forest lands of Australia and carve out homes for themselves. At the present time, Tasmania is receiving a certain proportion of settlers from the mainland. These persons are establishing themselves on the North-West Coast, in the Derwent Valley, the Huon Valley, and in the Channel. But they are not the individuals who go out into the bush and establish homes for themselves. They belong to the class which I understand predominates whenever there is a ballot for land in New South Wales or Victoria. They are men who are possessed of sufficient capital to enable them to purchase a small home which is partially cleared, and are altogether an admirable class. When they come to Tasmania they do us incalculable good by buying out the pioneers who have cleared the land, so that the latter can then go back into the bush and establish fresh homes. It would be quite useless, I hold, to institute any system of immigration with a view to getting settlers to take up our heavily-timbered country. They are not suited for the work. The best class of settler we have is the son of the settler—the man who is making a really good living off six or seven acres of orchard. In such cases we have closer settlement in its best aspect. When the Navigation Bill comes before this House, I intend to ask it not to impose handicaps upon these men. I can assure honorable members that it is not at all an uncommon thing to find eight or ten such settlers living in comfort, and educating their large families, upon 100 acres. I

intend to ask those who really desire to encourage the worker not to deprive him of the result of his energy or enterprise, and not to sacrifice him on the altar of the shipping rings of the mainland.

AN HONORABLE MEMBER.—Let us give him all the encouragement we can.

MR. MCWILLIAMS.—Yes ; and the only encouragement which he asks is to be left alone. I wish now to refer to the subject of preferential trade. I was exceedingly pleased to read the reference made to it in the Governor-General's Speech, and to hear such an out-and-out protectionist as is the honorable member who moved the adoption of the Address in Reply, state, in answer to an interjection, that he was prepared to give a real substantial preference to the mother country. I must candidly confess that I fail to appreciate the position of those who claim to be thorough advocates of preferential trade, but who say that we cannot do anything at present—that we must wait until the mother country comes along with a definite proposal. I believe in Mr. Chamberlain and in his policy. I thoroughly believe that if his policy is carried out, it will be for the good of the whole of the Empire, and especially for Australia. I would not wait until the electors of Great Britain had decided to give us something in return for our preference. I am so much a preferential tariffist, and so much in accord with what the Prime Minister has said as to the necessity of trading with those who are willing to trade with us, that I should be prepared to-morrow to immediately give a substantial preference to the old country without asking for anything in return.

MR. CONROY.—That would increase the area of free-trade.

MR. MCWILLIAMS.—I care not whether it would do so, or even whether protectionists support the proposal as protectionists. In the case of the island State, we have practically but one market for the whole of our surplus products. England freely takes our minerals, our wool, and the whole of the fruit that we export, while there is not another market in the world that will take anything from us. I have precisely the same feeling for the mother country that I entertained before Federation towards New South Wales. Throughout the length and breadth of Tasmania to-day, the producers of the State entertain the kindest feelings towards New South Wales. Why is this the case? The reason is that when Victoria was piling up tariffs

against us, and shutting out everything that we could produce in Tasmania, New South Wales said—"Send your produce to us." I was prepared to give every preference to Sydney ; I was prepared, as a public man in Tasmania, to enter into reciprocity with New South Wales—to trade with her, and to give her what advantages we could in return for the advantages she had already given us. And now, so far as the old country is concerned, considering that she has taken the whole of the surplus products of Australia, that she throws open her markets to us, and defends our shipping, I am not prepared to haggle over terms. I would say to her—"You open your ports to us, and I am prepared to give you a preferential tariff without waiting for the result of the British elections, and without waiting to see what you will give us in return. In return for what you are doing for us now—for the markets you are opening to us—I am prepared to show my loyalty to the Empire by preferential trade with you." Is the Prime Minister inclined to proceed in that direction?

MR. JOHNSON.—To pull down the Tariff.

MR. MCWILLIAMS.—I would pull it down for British goods, whilst at the same time I should not care how high it was made against the foreigner. I thank the House for the attention which has been given to my remarks. If I have spoken my mind in a clear, straight-out way, it is because I believe that it is always better for us to voice our opinions. When Ministers propose anything that I believe to be for the good of Australia, and for the good of the State which I represent, they will find no warmer supporter than I shall be. When they propose that which I believe to be inimical to the interests of Australia and to those of the State which I represent, they will have no stronger opponent than I shall be. I thoroughly agree with those who say that it is impossible to carry on a pure, intelligent, responsible government in the present state of parties in this Parliament. That is my humble opinion. I give expression to it as the result of some little consideration, and I think that any decision that will thrust upon Ministers the responsibility of governing, and upon every other party the direct responsibility for its actions, will be in the best interests of good government and the conduct of business in

this House. I cannot understand a Government holding to its position when it ceases to govern. A Government when it ceases to govern should cease to exist.

Mr. PAGE.—Why do not the Government resign?

Mr. McWILLIAMS.—I do not say that they should, because, so far as I am able to judge, the Government are governing. I repeat the statement, that I do not think it possible for any party in this House that has now reached manhood's estate—such as the Labour Party, for example—to continue to shape the course of government without being prepared to accept the responsibility.

Mr. FISHER.—We will take all the responsibility if it is given to us.

Mr. McWILLIAMS.—Quite so. When the party is numerically weak, the position is different. The position was not altogether satisfactory last session, but I can quite understand that, when the Labour Party numbered only sixteen members, it was not a force of sufficient strength to be able to strike out for itself. There is now no other party in this House much stronger than it, and I believe that the time will shortly arrive when it will have to take up a position of complete responsibility for its actions.

Mr. BRUCE SMITH (Parkes).—When I reached Parliament House to-day, I had no distinct intention of attempting to make any substantial addition to this already long debate, more especially as I had in mind the fact that there is no party issue before the House, and, therefore, no opportunity for honorable members on either side to make what might be called fighting speeches. But after hearing so many utterances of new members which seem to me to have no other purpose than that of ventilating their views on the situation, and having had the advantage of perusing the last issue of *Hansard*, which seemed to me to have a similar purport, I thought that this occasion, which gives one an enormous scope, offered a very good opportunity for some of the older members to introduce themselves to the younger ones, and to show, at all events, that they are not what they are sometimes represented to be. I think, as I said at the first meeting of the Parliament of the Commonwealth three years ago, that it is highly desirable that we should know, at as early a stage as possible in the life of a new Parliament, the class of men we are to meet,

the kind of men with whom we are going to discuss important questions, and what, as far as they are concerned, is likely to be the trend of affairs. I quite approve of the course which the leader of the Opposition has taken in refraining from challenging the Government at this particular juncture. Any attempt of that kind would have been a failure. It would be quite premature and unnecessary to provoke any strong party conflict at this stage in what I should say is one of the most remarkably constituted Houses we have known in Australia. No one could have thought of taking part in this discussion without feeling somewhat embarrassed by the enormous quantity of matter at his disposal to form the subject of a speech. The difficulty I have found has been in selecting and cutting down the quantity of material which offers itself within the limits of the debate. I propose, first of all, to take a retrospective view of the situation, because I believe that we have now reached a very important stage in the history of Federation. The first Federal Parliament was elected by the people of Australia at a time when they were very much in the dark. No one knew exactly what kind of Chamber this was going to be, how it would be constituted, so far as public opinion was concerned, what views were going to be expressed by it upon the fiscal or other important questions, or what would be the attitude taken up with regard to the Labour Party in Australia. But the people have chosen the present Parliament with their eyes open. It is true that they have been called upon to make a selection under very disadvantageous circumstances. No one who knows anything of what was the position of the electoral affairs of Australia at and prior to the last elections can fail to feel that certain classes in some of the States suffered serious disadvantage by reason of the extraordinary and politically dishonest way in which the electoral arrangements were carried out. Most of us know very well, although some honorable members, who now enter the House for the first time, may not be quite aware of the fact, that the Electoral Act, of which the Prime Minister boasted so much in his Ballarat speech, and even more in New South Wales, as being one of the most liberal electoral laws that had ever been passed in Australia, had been practically kicked under the table of this House, so far as the last elections were concerned. In my own constituency—and one can only take that which

he knows accurately as indicating the general trend of affairs—there are 35,000 electors, whilst the honorable member for Darling has a constituency of only 12,000.

Mr. DEAKIN.—More than that.

Mr. BRUCE SMITH.—At the time of the last elections the Darling electorate comprised only 12,000 electors. It happens now that there are something like 15,000 upon the roll.

Mr. FISHER.—Fifteen thousand two hundred and sixteen.

Mr. BRUCE SMITH.—I am not dealing with the exact figures in either case. As a matter of fact, I think it will be found, on referring to the list that there are 36,000 instead of 35,000 electors in my own constituency. The inequalities of the last elections were so great that I now represent 36,000 electors, whilst the honorable member for Darling, with equal voting power in this House, represents only 15,000. In regard to the women's vote, of which so much has been said by the Minister for Trade and Customs, I find that, whereas there are 18,000 female voters in my own electorate, the honorable member for Darling represents only 4,000. Taking the whole of the free-trade seats of New South Wales, as compared with the whole of the protectionist seats in that State, I find that whilst the eleven protectionists who were returned at the first election represent 160,000 electors, the fifteen free-traders—only four more—represent 360,000. The measure which the honorable gentleman at the head of the Government referred to so boastfully in New South Wales as being one of the most liberal electoral laws ever passed in Australia was absolutely ignored, and the people were thrown back upon the discredited electoral divisions of three years before.

Mr. McCOLL.—Is the honorable and learned member referring to the Electoral Act, or to the decision of the Parliament in regard to the redistribution of the electorates?

Mr. BRUCE SMITH.—I am referring to the electoral divisions. The honorable member well knows that the key to the justice of an electoral law is whether it enables the people to be equally and equitably represented in Parliament.

Mr. McCOLL.—The honorable and learned member knows why the proposed redistribution of electorates in New South Wales was not proceeded with.

Mr. BRUCE SMITH.—I know the explanation offered; but I have a fairly good idea of what was the real reason for the action of the Government.

Mr. McCOLL.—It was because of the changes wrought by the drought.

Mr. BRUCE SMITH.—The honorable member has a good idea, too, that the effect of the action of the Government was to do a gross injustice to the free-traders of New South Wales. I leave honorable members who represent other States to speak of their own knowledge of the effect it had upon the free-trade representation of those States. For my own part, I say that the arrangements under which the elections were conducted have not resulted in a fair representation in this Parliament of the present opinions of the people of Australia. That is proved by the mere fact that eleven protectionists represent 160,000 voters, while fifteen free-traders represent 360,000 voters, so that 200,000 voters have a representation of only four members. One cannot help feeling that no sufficient explanation has been given of this state of affairs. We were told in this chamber by the then Minister for Home Affairs—and I mention it because subsequent events have justified the criticism which was offered in the last Parliament from these benches—that the returns upon which the free-trade party relied were absolutely incorrect, and that when the elections took place it would be seen that those who left the country districts on account of the drought had returned to their homes, and thus restored the equality and equity of representation for which we were clamouring. The facts of the election show that nothing of the sort occurred. Thus we have a city constituency like Parkes with 36,000 voters enjoying only the same representation as the country constituency of Darling, with 15,000 voters. Very soon after the meeting of last Parliament, I expressed the opinion that, in consequence of the breach of faith committed by the then Prime Minister, in respect to the promises he had made in his Maitland manifesto, he had obtained a majority in the House of Representatives by political false pretences; and I say to-day that the Government has again in this Parliament obtained an advantage by false political statements, and by resorting to the old electoral divisions, instead of adopting those proposed by the Commissioner appointed by the Government to equalize the representation of the people. It is to be deeply regretted that at the very commencement of our history as a Federation we have

had two Parliaments which, so unequally and unfairly, by reason of Ministerial manœuvring, represent the opinions of the people of the Commonwealth. The charges which were made last session by the members of the Opposition have been more than justified by the facts of the elections. It is a remarkable thing that the constituency represented by the late Prime Minister elected, notwithstanding the efforts made by Ministers and others to retain it for the Government, an unconditional free-trader, while the Government whip, who represented a division not very far from Maitland, where the facts of the situation were perhaps more vividly realized than in other parts of Australia, was not returned to this House, and the Minister who controls the Department of Trade and Customs had a very hard fight to save his seat from a free-trader. The result of the elections generally shows that the people of New South Wales, whom the deception to which I have referred most closely affected, distinctly resented the conduct of the Government. The present Prime Minister visited New South Wales during the recess, and I was interested and somewhat amused at the character of the speeches he delivered in that State. I was surprised at his boastfulness, and at the manner in which he suppressed the real truth in regard to many of the measures passed by this and the preceding Government. In the first place, he told the people that the Electoral Act was one of the most liberal on the statute-books of Australia; but I challenge any one to find in his speeches a single reference to the fact that the Government were really not applying the provisions of that Act to the Commonwealth elections, and had put it on one side, ignoring the distribution of seats which their own Commissioners had proposed as the most equitable for securing the equal representation of the people. He boasted that the Government had passed a Public Service Act which had entirely done away with political patronage, although the fact is that the Bill introduced into this House fairly reeked with provisions for the establishment of political patronage.

Mr. DEAKIN.—That is absolutely incorrect.

Mr. BRUCE SMITH.—Sir William McMillan and myself devoted hours to exposing the attempt of the then Minister for Home Affairs to introduce into the measure a system by which every appointment would be made by himself.

Mr. DEAKIN.—All appointments still are formally made by the Minister.

Mr. BRUCE SMITH.—The then Minister for Home Affairs told the House, in justification of his attempt to provide for the introduction of political patronage, that the system of managing the New South Wales railways by Commissioners, and of governing the New South Wales Public Service by a non-political Board, had been a failure. Sir William McMillan directed several very able addresses to the exposure of that contention, and I did the same. We both championed the Railway Commissioners and the Public Service Board of New South Wales, with the result that the Bill had been so completely altered by the time that it had passed through the House that the Sydney *Daily Telegraph* published of it that not a single clause remained in its original form.

Mr. DEAKIN.—The honorable and learned member should quote a better authority than the Sydney *Daily Telegraph*.

Mr. BRUCE SMITH.—The then Minister for Home Affairs did his utmost to discredit the Public Service Board and the Railway Commissioners of New South Wales, who were appointed to abolish political patronage.

Mr. SPEAKER.—Does the honorable and learned member think that what he is now saying has any reference to the Address in Reply?

Mr. BRUCE SMITH.—I submit that it has. I wish, in criticising the conduct of the Government, to show the effect of these statements upon the elections.

Sir WILLIAM LYNE.—The remarks of the honorable and learned gentleman in regard to my conduct are incorrect.

Mr. BRUCE SMITH.—I am not going to deal with the matter further than to say that, when the Prime Minister represented to the people of New South Wales that he was a member of the Government which passed a Public Service Act abolishing political patronage, he should in all honesty have told them that the Bill when introduced fairly reeked with provisions for the establishment of political patronage. It was only because of the steadfast opposition of honorable members on this side of the Chamber that that Bill was taken out of the hands of the Minister who had charge of it, and as honest and pure a mode of appointing and governing the Public Service provided for as exists on the statute-book of New South Wales at the present

time. The Prime Minister also told the people of that State that the Government deserved credit for their action in introducing the Inter-State Commission Bill. Those who were members of the last Parliament know that that Bill was drawn by an inexperienced man, and was so little supervised or understood by the Minister who had charge of it that it was practically laughed out of the Chamber, and thrown into the waste-paper basket. I undertake to say that its author, or god-father, will not recognize the Bill to be introduced this session. The honorable member for Hume fathered a measure for some one who tried to introduce into it provisions which are now being placed in the Navigation Bill. Its marginal notes contained references to United States laws which were absolutely untrue, and I showed them to be so. They were references which might have easily misled honorable members who had not time to look up the American authorities for themselves, and which made the Bill appear to provide for a Commission which was a counterpart of the Inter-State Commission of the United States, whereas something quite different was provided for. The measure was full of original but stupid ideas, which the Minister in charge of it had not the cleverness or the industry to understand. A peculiar thing about the eloquent speeches delivered in New South Wales by the Prime Minister in advocacy of fiscal peace and preferential trade was the small effect they had on the public. I have never been able to understand how any one can preach fiscal peace, which means the leaving alone of the fiscal question, and at the same time advocate preferential trade, which means the raising of the whole fiscal issue, but that was the political pabulum which the honorable, learned, and eloquent member for Ballarat tried to palm off upon the people of New South Wales. The result was that the Government lost four seats in that State. The Prime Minister also boasted of the establishment of the Federal Judiciary. I was very pleased to hear some comments upon that action from the labour benches to-day. It was only because of the efforts of the Opposition that the Government provided for the appointment of three instead of five Federal Judges, though, so far, the High Court has had so little to do that one of the Judges has been able to go to South Africa for a four months' holiday, and the

Court is now engaged for the first time upon an important case.

Mr. DEAKIN.—That is not fair. The honorable and learned gentleman, as a professional man, should know that the Judge referred to visited South Africa in the ordinary vacation.

Mr. BRUCE SMITH.—It was announced in the press that one of the Federal Judges would be absent in South Africa for four months.

Mr. DEAKIN.—I am not answerable for what appears in the press, but the gentleman referred to did not leave Australia until the beginning of the vacation, and returned before it ended.

Mr. BRUCE SMITH.—I should like to take a retrospective view of the last session, because we are in a peculiar situation with regard to the state of parties, and the position of the present Government. One honorable member has stated that he could not understand why the Government should remain in their present position unless they can control the House. I do not propose to quote high authorities to show what test should be applied to a body of men who undertake to lead the House; but I venture to say that no authority, whether it be *May Todd*, or any other, could be examined without leading honorable members to the conclusion that no Ministry is justified in remaining in office unless it has practical control of the House and the confidence of a substantial majority—a majority sufficient to enable it to conduct the work of the Government and of the country.

Mr. PAGE.—How does the honorable and learned member know that the Government have not that confidence?

Mr. BRUCE SMITH.—I propose to judge them by the events of last session. I think it will be admitted, even by the honorable member for Maranoa, that during the last Parliament the Government, which was substantially the same then as now, had a more solid following than at present. Let us see how they controlled the House last session. Let us examine some of the measures that were passed, and ask whether in the history of political government in Australia a parallel can be found for the absolute irresponsibility and helplessness of the Ministry during that period. I shall instance half-a-dozen measures.

Mr. STORRER.—Are those measures before the House now?

Mr. BRUCE SMITH.—No; but I propose to judge the competency of the Ministry at the present time by their actions

when they had a larger majority than at present. The honorable member cannot know so much about the history of last session that he is not in need of further enlightenment. The Government brought forward a Bill to provide for an increase of the salary of the Governor-General. That measure was defeated, and practically thrown under the table. Although the Government had fathered it, and it was introduced by the then Prime Minister, it was taken out of their hands, after it had been in the waste-paper basket, and completely altered by the honorable and learned member for Northern Melbourne, in order to make it acceptable to the House. What did the Government do? We had heard a great deal from the then Prime Minister, in the early stages of the Parliament, about the independence which the Government intended to display. In spite of the treatment to which they were subjected, Ministers had no thought of retiring, but went on with the business of the country as if they were an irresponsible committee of the House instead of a responsible Government. Then, again, the Public Service Bill was altered, lock, stock, and barrel.

Sir WILLIAM LYNE.—No.

Mr. BRUCE SMITH.—The very soul of the Bill which was so dear to the Minister for Trade and Customs, namely, the element of political patronage, which the honorable gentleman desired to remain in the hands of the Minister, was eliminated from the measure.

Sir WILLIAM LYNE.—It was never embodied in it.

Mr. BRUCE SMITH.—Did not the Minister advocate the principle of Ministerial patronage, and denounce the Railway Commissioners and Public Service Board of New South Wales, on the ground that the independent method of appointing civil servants was bad? Did he not arrogate to himself the right to make appointments, and was not the Bill altered in spite of him?

Sir WILLIAM LYNE.—No.

Mr. BRUCE SMITH.—Is not the Act now in the same shape as the Public Service Act of New South Wales, which places the appointment of public servants solely in the hands of Commissioners?

Sir WILLIAM LYNE.—No.

Mr. BRUCE SMITH.—The Sydney *Daily Telegraph* said there was not one of the original clauses left in the Bill.

Sir WILLIAM LYNE.—Even though the *Daily Telegraph* did say so, the statement is not true.

Mr. BRUCE SMITH.—Did the Government resign, or express its sense of humiliation, after having had its business taken out of its hands in that respect? No. Office was too sweet, and they went on again with the business of the country. What happened in regard to the Bonuses for Manufactures Bill? It was introduced into the House, and literally kicked under the table. The Government tried a second time to secure its adoption, and it was again put under the table. As a last resort, a Royal Commission was appointed, with the result that the motion for the adoption of the report was carried on the casting vote of the Chairman, and now the Government have the temerity to tell us that they are going to introduce the Bill once more.

Sir WILLIAM LYNE.—I have not the slightest doubt that the honorable and learned member will be absent when the Bill is introduced.

Mr. BRUCE SMITH.—If I were paid £2,100 a year, I should probably be able to attend as regularly as the honorable gentleman.

Sir WILLIAM LYNE.—The honorable and learned member is more fond of money than I am.

Mr. BRUCE SMITH.—Not a single measure was conducted through the last Parliament in a manner befitting a responsible Government. Ministers stooped to accept any amendment that any one chose to suggest, so long as there was a majority behind the proposal; and I will defy any honorable member to come to any other conclusion than that the principle of responsible government was never so seriously lowered as by the Ministry of which the present Government is the successor. What responsibility is likely to be assumed by the Government in the present Parliament? What evidence is now before us? The Governor-General's Speech reminds me of the reputation enjoyed by the late George Augustus Sala, who was said to be better able than any man in England to write a leading article which meant nothing. No one can discover anything in the nature of a straightforward responsible programme in the speech. Take, for instance, the question of preferential trade, of which we have heard so much. That was one of the two elements which constituted the party cry of the Government—"fiscal peace and preferential trade." We have fiscal peace, because the Government are frightened to revive the old controversy; but we have not preferential

trade, because the Government are afraid to bring it forward. It is all very well for the Prime Minister to say that we cannot move until England takes action. Did Canada wait until England moved? Did not Sir Edmund Barton and his colleague at the Convention promise Mr. Chamberlain that measures would be introduced to test the feeling of Parliament with regard to preferential trade? Was there then any talk of waiting until England had moved in the matter? Why does not the Prime Minister introduce the question now? He says that the fiscal question has been sunk, but still he proposes to introduce proposals for giving bonuses to farmers and others. Let us see what has been the result of some of the legislation passed by the last Parliament. I joined a very small number of honorable members in taking some exception to the very drastic legislation which was being passed in an hysterical and a hurried way, for the exclusion from the Commonwealth of the people of those nations which were not considered equal to our own. I took the responsibility of championing the cause of the Japanese, so far as I considered that they were entitled to reasonable treatment as a progressive nation, and I submit that subsequent events have justified the course I then took. At the time that the Immigration Restriction Act was passed, in which the Japanese were classed with South Africans and other barbarous and uncivilized peoples, the Prime Minister laid upon the table of the House accurate figures with regard to the immigration and emigration of Japanese and Chinese to and from Australia.

Mr. DEAKIN.—The Japanese were not mentioned in the Act.

Mr. BRUCE SMITH.—No; but they were embraced by the prohibitory provisions, and the Prime Minister had correspondence from the Japanese Consul, who complained that his compatriots had been classed among barbarous peoples, whereas they claimed to be treated as a civilized and enlightened nation. The figures to which I have referred showed that, taking the whole of the arrivals and departures of Chinese and Japanese over a number of years, the excess of arrivals over departures was only about 300. In a general way, we were told by several honorable members that hordes of Japanese were settling upon our Northern coasts, and threatening to come down and swamp us as a civilized people; but the figures showed that quite the contrary was the case. I hold that, as a matter

of Empire—and no one can talk more eloquently about the obligations of Empire than can the Prime Minister—if we recognize our place as a junior partner, and that is all that we can claim to be, it ill becomes us to stand in the way of negotiations between the mother country and her allies, when such negotiations are calculated to assist in Imperial consolidation. I hold, further, that the present war more than justifies my contention that, in the legislation that was passed, the Japanese should have been differentiated from other races, and that we should have shown that we were at least alive to the conditions of the people by whom we are surrounded, and by whom we are likely to be assisted in the future. It may not be generally known that in the Supreme Court of New South Wales at the present time exception is being taken to the action of the Government in regard to the well-known Stelling case. In that instance an unfortunate German, upon being called upon to pass an examination, as directed by the Customs-house officer at Newcastle, clearly showed that he was able to speak English, French, and German; but the Government were so broad-minded and patriotic, and so much concerned about the interests of the Empire, that the man was required to pass an examination in Greek. I am happy to say that the Supreme Court of New South Wales has already granted a rule *nisi* calling upon the Commonwealth Government to show cause why their decision should not be upset.

Mr. DEAKIN.—The case is now *sub judice*.

Mr. BRUCE SMITH.—I am not commenting upon it. I remember very well that when the alteration was made in the Bill, in this House, and the substitution of the word "directed" for "dictated" was agreed to, I pointed out that, though the Bill in its original form professed to give a Customs-house officer power to dictate only the words in a European language, by substituting the word "directed," there was a danger that the officer, in the administration of the Act, would be required not to dictate the words, but to direct the language; and I remember how the right honorable gentleman, who was then at the head of the Government, looking across to the corner benches with a smile upon his face, and, so far as I could see, with his tongue in his cheek, said—"It may be a very convenient thing if the Customs-house officer is allowed to direct the language as well as dictate the words."

What is the result? We have made it known to the people of Europe—because all those countries have their representatives here, and all the silly things which we do are very carefully communicated to the different Governments of Europe—

Mr. MAUGER.—And a lot of things which we do not do.

Mr. BRUCE SMITH.—Yes; and I dare say we get credit for some good things which we are not entitled to. The effect of that piece of administration, resulting from equivocal phraseology, which was pointed out to the Prime Minister at the time, has been that we have been made the laughing stock of Europe. But that is not the only case. It is not generally known that during last year an unfortunate Portuguese sailor, at Newcastle, landed from his ship, and was arrested; and because he could not pass an examination in English he received six months' imprisonment with hard labour. The honorable and learned gentleman at the head of the Government cannot complain that he did not know of it, because I distinctly drew his attention to the fact, and asked him whether he was prepared to indorse that treatment of an honest European. What was his answer?

Mr. DEAKIN.—In the first place, he was not a European, but a Cape Verde islander; and in the second place, there was no hard labour—he had only a nominal sentence of six months until he could be deported, it might be in six days.

Mr. BRUCE SMITH.—But was he deported in six days? When I pointed out that he was a Portuguese sailor, the answer was that he was a Cape Verde islander. I then pointed out that the Cape Verde Islands were a colonial possession of Portugal, and that, therefore, the sailor was a Portuguese as much as the honorable gentleman is an Englishman to-day—

Mr. DEAKIN.—As much as a Hindo is an Englishman.

Mr. BRUCE SMITH.—Because he lives in an English State. We have also had half-a-dozen unfortunate New Zealanders who sought to come into this country and were stopped. One cannot forget that the honorable and learned gentleman was one of the most ardent in desiring that New Zealand should come into this Federation. What would have been the effect? Will it be contended for a moment that if New Zealand

had federated with Australia in the Commonwealth, a distinction would have been drawn between the European residents of New Zealand and the native New Zealanders? So that we were willing to take the whole box and dice of these New Zealanders if they only accepted our invitation to come into the Federal union; but because they thought better of it on account of living 1,200 miles away, we stopped seven of their men who wished to come into the Commonwealth, and detained them as undesirables some days, because they intended to do the very objectionable work of taking part in a circus performance. I do think that party or no party—be we free-traders, protectionists, or members of the Labour Party—this series of occurrences should receive our disapproval. Take our own flesh and blood—the well-known six hatters.

Mr. MAUGER.—We know all about that.

Mr. BRUCE SMITH.—Of course we all know about it. The honorable member for Melbourne Ports laughs. "A fellow-feeling makes us wondrous kind." The point I object to is this: The then Prime Minister so interpreted the Act of Parliament under which these men were stopped, that he announced definitely to the public that it was his duty to inquire as to whether six hatters were required in Australia. Just picture the absurdity, in a country like this, in which we had just passed a Tariff which imposed a duty of something like 30 per cent. upon hats for the purpose of building up a hat industry in Australia, when these experienced hatters were imported for the purpose of lifting up the industry to a higher level, and manufacturing a better article, of the very Government which thrust the Tariff upon us, stopping them at our threshold and saying—"We shall have to consider whether six more hatters can be absorbed amongst four millions of people." It is ludicrous! Indeed that is hardly the word to describe it. It is a travesty of politics; and that is what responsible government came to during the last Parliament. I am not surprised that every visitor who leaves these shores, and goes to England and returns, does so with the same story—that we are the laughing-stock of England and of Europe. And we shall continue to be a laughing-stock so long as we practise these absurd forms of administration.

Mr. CONROY.—What about the *Petrians* sailors?

Mr. BRUCE SMITH.—I do not wish to deal with that case, because the Prime Minister has made the statement that the newspaper reports are entirely untrue. I admit that I had a different account of the incident from Mr. Gollin, the agent for the ship, but I propose to accept the statement of the Prime Minister on that matter. During the elections we had a great many eloquent protestations made by the Prime Minister with regard to the Empire, and as to our obligations to it. We were told that the policy of preferential trade was to some extent based upon the desire to consolidate the Empire. But when the honorable and learned gentleman was asked at the termination of the last session—he will remember this, because it was a kind of categorical discussion between the Prime Minister and the leader of the Opposition—whether he was prepared in future to help the Empire by reducing the Tariff in favour of England, the honorable and learned gentleman said—“If that is to be done it will have to be done by your side of the House.”

Mr. DEAKIN.—I think I said—“If any serious reduction is to be made,” or something like that.

Mr. BRUCE SMITH.—I do not remember that word, but I will insert the word “serious”; if there were to be any serious reduction in the Tariff it would have to be made by this side of the House. The Prime Minister was prepared to raise the duties against foreign countries and leave the Tariff as it was against Great Britain. I should like to know what sort of respect or love or patriotism there was for the British Empire in that statement? The Prime Minister appears to me not to want preferential trade for the British Empire, except as an excuse for getting higher duties against the United States and against Europe.

Mr. WEBSTER.—He wanted it for safeguarding the shipping of England.

Mr. BRUCE SMITH.—I will accept that as the object of the Prime Minister at that time, although the suggestion seems rather remote. I do not know whether honorable members know that when the first speeches on preferential trade were made in the House of Commons by Mr. Balfour and Mr. Chamberlain, Mr. Balfour was particular to say to the House that one of the great, if not the primary, advantages of preferential trade would be that it would discourage in the Colonies the further development of vested interests in the manu-

facturing industries. He went on to say that one of the results would be to create a greater outlet for British manufactures. Both Mr. Chamberlain and Mr. Balfour have said that they look for a modification rather than for an increase of the existing tariffs. If that is the primary purpose of preferential trade it is very easily seen that there are two distinct brands of that article. We all remember that Mr. Chamberlain, only a very short time ago, when speaking of the preference offered by Canada, said that it had not effected its purposes—that although the imports from England, as has already been explained by the honorable member for North Sydney, had increased, they had decreased as compared with the imports from foreign countries.

Mr. DEAKIN.—Of course, the honorable and learned member has read the reply of the Canadian Minister?

Mr. BRUCE SMITH.—I have, but I do not think that that reply affected the question, as the Prime Minister in one of his speeches contended it did. Mr. Chamberlain said that he had been very disappointed with the effect of the Canadian preference, which was about 30 per cent., or in some cases 50 per cent. One has really to sometimes ask oneself outside the meaning of men's words, what men really think. Is it consistent with the honorable gentleman's professions of good-will towards Great Britain that he should practically say—“We are not going to make any serious reduction in the Tariff in favour of England, but we are perfectly willing to raise the duties against foreign countries”? His love for the mother country will be shown by his imposing, in many cases, a full 30 per cent. duty on importations into this country. That is bogus patriotism—bogus love for the Empire. If the Prime Minister and the gentlemen who form his Ministry meant well towards the people of England, and could forget for a while some of the Australian interests in their desire to promote the interests of the Empire, he would, on the occasion to which I refer, at once have said “Yes; whatever our duties are we are prepared to reduce them in favour of the mother country.” And he would have had good reason in his favour. He knew very well that the Tariff as it stands to-day was the best result that he and his party could obtain in the fiscal struggle which extended over twelve months, and, therefore, he

must have known that it was quite impossible to get this House as a whole to raise the duties any higher at the present time. But he knew at the same time that the leader of the Opposition had expressed a willingness to reduce the duties of the existing Tariff 50 per cent. in favour of the mother country.

Mr. DEAKIN.—Only if he could not reduce the duties for everybody, as he wanted to do.

Mr. BRUCE SMITH.—The leader of the Opposition did not want to reduce the duties as against foreign countries.

Mr. DEAKIN.—Yes.

Mr. BRUCE SMITH.—The leader of the Opposition distinctly said here, and also said throughout the elections, that he was prepared to make a distinct and substantial preference in favour of Great Britain.

Mr. DEAKIN.—That was only if he were returned in a minority, and we had a majority. The right honorable gentleman's words were read out by the honorable member for Wentworth to-day.

Mr. BRUCE SMITH.—I do not remember any such distinction or qualification. At all events, the conclusion I came to, from hearing the altercation across the table, and also the speeches delivered by the leader of the Opposition—and although I am a member of his party, I do not agree with him in everything—was that he had shown a much more substantial love and patriotism towards the mother country by his brand of preference than was shown by the Prime Minister. Why are preference proposals not placed before the House now? The Prime Minister knows very well that it would be impossible to induce the House, as at present constituted, to raise the duties against the United States or Europe, but he also knows that the House would be prepared to make some concession to the mother country on the existing Tariff. If that be so, how is it that his love for the Empire does not take the practical form of introducing a measure which would be only a fulfilment of the promise made by the late Prime Minister, of whose Government the present Prime Minister was a member? Why is such a measure not introduced, seeing that it would be merely the fulfilment of the undertaking that the late Prime Minister gave to Mr. Chamberlain at the Convention where the question was first raised? It was at that Convention that anything was said which justifies Mr. Chamberlain in telling the people of England that the Colonies are asking for preferential trade.

Mr. DEAKIN.—The matter had arisen in Canada.

Mr. BRUCE SMITH.—That is only a greater reason for introducing the measure. If preference has been asked for and promised, why is the measure not introduced now? It is not introduced for the reason that the Prime Minister and the members of his Government know that they are not at the present time a responsible Government—that they have not the control of the House, but stand at the mercy of honorable members who sit on the cross-benches.

Mr. WATSON.—I heard that the Government were at the mercy of the honorable and learned gentleman's party.

Mr. BRUCE SMITH.—I do not think so. I can only say that I should be very much inclined, under such circumstances, to help the Prime Minister, and the leader of the Opposition has said the same. If the honorable member were prepared to give this real preference to the mother country he would have a good chance of passing it through the House. Although there has been much talk about sinking the fiscal issue, I can tell the Prime Minister that if his suggested preference, or a Bounties Bill is proposed, the whole fiscal issue will be raised, and every honorable member on this side of the House—and I think, knowing the feeling, I can speak with some authority—will be prepared to fight him to the last ditch. It is all very well for the Prime Minister to say that the fiscal issue has been sunk.

Mr. WATSON.—Not sunk—it died.

Mr. BRUCE SMITH.—That suits my argument just as well. It is all very well to say that the fiscal issue is dead, and that, therefore, this is an excellent opportunity to bring forward a Bounties Bill. I do not know what other honorable members' reading of political economy is, but how a Bounties Bill can be excluded from the fiscal issue passes my understanding. My understanding of a bounty is that, instead of imposing a duty on the importation of goods for the purpose of artificially raising prices, and thereby giving the manufacturer an advantage, the Government directly offer him the same advantage, not through the Custom-house, but directly out of the Treasury.

Mr. WEBSTER.—It is a free-trade method of granting protection.

Mr. BRUCE SMITH.—I do not admit that it is a free-trade method, and if the honorable member is a protectionist he is not by an authority on

free-trade methods. Any honorable member who really knows the elements of political economy must admit that the moment bounties are proposed the fiscal question is raised. The whole object of free-trade is to give freedom to commerce—to allow commerce to travel in its normal and natural channels. The moment it is said to the proprietor of an industry, "You cannot stand alone, but we will give you some artificial aid out of the Treasury at the expense of your fellow men," the whole system of protection is introduced in another form. At this late hour, I ask permission to continue my remarks to-morrow.

Mr. SPEAKER.—Is it the pleasure of the House that the honorable and learned member have leave to continue his speech to-morrow?

HONORABLE MEMBERS.—Hear, hear.

Debate (on motion by Mr. BRUCE SMITH) adjourned.

House adjourned at 11 p.m.

Senate.

Thursday, 10 March, 1904.

The PRESIDENT took the chair at 2.30 p.m., and read prayers.

DEPARTMENT OF QUARANTINE.

Senator WALKER asked the Vice-President of the Executive Council, *upon notice*—

When does the Government propose to take over the Department of Quarantine?

Senator PLAYFORD.—The matter has not been decided by the Cabinet.

CIGARS: VICTORIA.

Senator PEARCE asked the Vice-President of the Executive Council, *upon notice*—

1. What was the weight of cigars imported into Victoria for the year ending December, 1903?

2. What was the declared value of such cigars?

Senator PLAYFORD.—The following are the answers to the honorable senator's questions:—

1. 131,213 lbs.

2. £43,066.

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EASTERN EXTENSION TELEGRAPH COMPANY.

Senator KEATING asked the Vice-President of the Executive Council, *upon notice*—

Will the Government, if it has no objection, cause to be placed upon the table of the Senate copies of all documents relative to its negotiations with the Eastern Extension Telegraph Company in connexion with the purchase of the Tasmanian Cable, including any opinion or opinions that may have been taken as to whether the cost of such a purchase would be new or transferred expenditure?

Senator PLAYFORD.—It is not considered to be desirable to make the documents in connexion with this matter public.

SUSPENSION OF SITTINGS.

Motion (by Senator PLAYFORD) agreed to—

That during the present session, unless otherwise ordered, the sittings of the Senate or of a Committee of the whole Senate on sitting days other than Fridays be suspended from 6.30 p.m. to 7.45 p.m., and on Fridays from 1 p.m. to 2 p.m.

LEAVE OF ABSENCE.

Motion (by Senator STANFORTH SMITH) agreed to—

That one month's leave of absence be granted to Senator Matheson on account of urgent private business.

GOVERNOR-GENERAL'S SPEECH: ADDRESS IN REPLY.

Debate resumed from 9th March (*vide* page 288), on motion by Senator TRENWITH—

That the following address be presented to His Excellency the Governor-General:—

TO HIS EXCELLENCY THE GOVERNOR-GENERAL—

May it please your Excellency,

We, the Senate of the Commonwealth of Australia in Parliament assembled, beg to express our loyalty to our Most Gracious Sovereign, and to thank Your Excellency for the speech which you have been pleased to address to Parliament.

Senator DAWSON (Queensland).—Notwithstanding the many objections which have been urged against the continuance of a full dress debate on the opening speech in the Federal Parliament, as has been the custom in the States Parliaments, I believe that it is a good practice. It has its abuses, but it, undoubtedly, has its uses. It affords really the only opportunity which is available to honorable senators to offer any criticisms, or to ventilate any grievances, regarding the administration of the Government during the recess. That is a very necessary safeguard which ought to be preserved; it

protects the rights of honorable senators. At the same time, I believe that the speech which is placed in the mouth of the Governor-General should contain the whole of the programme on which the Government are prepared to stand or fall during the session, and that it is not permissible to place in that speech as a statement of fact a matter which is in dispute between the contending parties in the two chambers. Every statement in an opening speech ought to be an indication of the intentions of the Government, and should not set out as a fact something which is in dispute between parties. I shall have occasion, at a later stage, to find fault with the way in which the opening speech has been framed. I do not agree with a number of honorable senators who have complained about the conduct of the recent elections. In my opinion, the officers in the Electoral Department are deserving of all the censure which honorable senators can heap upon them. But, as regards the officers who were engaged in the active work of conducting the elections, we can give them no praise too high for the excellent work they did under most extraordinary difficulties. Whatever difficulties had to be overcome, or inconveniences to be suffered during the contest, were absolutely due to the incompetency of the officials at the head of affairs in Melbourne. Travelling through the backblocks in Queensland, as I did during the contest, I learned after nomination day that returning officers who had to cover an area of hundreds of miles, and to appoint assistant officers, who in their turn had to travel hundreds of miles, not only did not receive the instructions from the Department, or the corrected electoral rolls, but did not even receive the ballot-boxes until the last moment. It is all the more creditable to the officials who undertook the active work that, notwithstanding the difficulties which were placed in their way by the Department, they carried out their duties to the satisfaction of every one concerned. The police are also deserving of high praise for the magnificent work which they did in the western country of Queensland in a difficult month of the year. From personal observation, I can say that Mr. Balfe, the returning officer for Kennedy, performed his work as well as it was possible for any human being to do, despite the difficulties which were placed in his way; he is a credit not only to the Postal Department, but to the Public Service of the Commonwealth. Last evening we heard a

Senator Dawson

long, learned, and sometimes laboured discourse on various topics from Senator Dobson, in which he conclusively proved that he returns to the new Parliament as he left the old one—a confirmed free-trader and protectionist. He has demonstrated once more to us that he can change his opinions on all subjects except two more rapidly than any dude can change his necktie. By a strange quality in his disposition he is consistent in his uncompromising Imperialism, his unflinching and aggressive antagonism to Australian nationalism, and in his unrelenting hostility to the aspirations of the Labour Party. These are about the only two things on which he does show any consistency. I feel quite certain that his Imperialism will meet with its due reward some day. I hope that it will not take the form of a petty signed photograph, such as some distinguished persons in Victoria have received. If the advice of the Labour Party is taken in the Court of St. James, we shall have the pleasure of greeting at least Baron Dobson of Hobart.

Senator DOBSON.—There are worse things than strawberries.

Senator DAWSON.—The honorable and learned gentleman has started his career in the second Parliament of the Commonwealth with an exhibition of uncompromising, bitter, and unrelenting hostility to the Labour Party.

Senator MULCAHY.—Surely not bitter?

Senator DAWSON.—Bitter, so far as a gentleman can be who has a kindly, generous, cheerful disposition—perhaps I should not say cheerful, because in his happy moments the honorable senator always looks sad and sorrowful.

Senator DOBSON.—I am often very cheerful.

Senator DAWSON.—I am quite, sure that the honorable and learned senator's smile would make the most stony hearted weep tears; even when he laughs there is a sob in his laugh. His uncompromising hostility to the Labour Party only concerns us for this reason: that it echoes the feeling of a large number of persons outside, who manifest the same unreasoning hostility, without being able to show any justification for it. Last night he said that one of the very great objections which he had to the Labour Party was that we were believers in the principle of compulsory arbitration; that he believed in arbitration provided that it was not compulsory. And in favour of his contention he adduced the arguments

which he used in the Temperance Hall in Melbourne, when he was flattened out by Mr. Tom Mann, and acknowledged his defeat before the audience. Notwithstanding that experience, he repeated here last night, in the coolest possible manner, the tale that he swallowed when Mr. Tom Mann beat him. I have no wish to anticipate the discussion on the second reading of the Arbitration Bill. The Labour Party feel so strongly on the principle of compulsory arbitration that if it involves the turning out of the Government and the putting in of the Opposition, or another party, or if the Government are willing to make it the main issue on which to go to the country, we shall be prepared for either contingency, and quite ready, if necessary, to face a double dissolution.

Senator DOBSON.—It has all been before the electors, and what is the use of talking about a dissolution?

Senator DAWSON.—The honorable and learned senator laboured this subject for something like half an hour last evening, with the object of showing the iniquities of the Labour Party, because they were in favour of compulsory arbitration. He presented a somewhat melancholy spectacle when, as a lawyer, he stated that he did not believe in the settlement of disputes by a court. For my own part, I do believe that when disputes take place which are liable to injure people who were not directly concerned in them, it is only a common-sense thing to set up a legally constituted tribunal which will settle them to the satisfaction of the disputants and for the benefit of the general public. The other question upon which the honorable and learned senator attacked the Labour Party was that of immigration. He did his level best to chastise the Labour Party as naughty children, because they were opponents of an immigration policy. He pointed out what everybody knew, that we have in Australia an immense territory and boundless resources, and that this is one of the wealthiest spots on the face of the earth. He said that the only remedy for the present condition of things is unrestricted and unlimited immigration to populate the country. But this is precisely the same senator who is the author of the "Divorce Made Easy Bill." That is another of his Yes-Noisms.

Senator STEWART.—The Bishop has made him drop that Bill.

Senator DAWSON.—He may have dropped it as a matter of policy. I wish to point

out the absolute inconsistency of the honorable and learned senator in his two capacities—one as chiding parent to the Labour Party, and the other as author and advocate of the "Dobson Divorce Made Easy Bill." I should like to point out to Senator Dobson and to other honorable senators who may agree with him in his condemnation of the Labour Party, that we are not opposed to an immigration policy. It is an absolute misconception or misunderstanding of our position, if it is not a slander, to say that we are opposed to an immigration policy. But I will tell you, sir, what we are opposed to: We are opposed to any scheme based on the lines of the old States immigration policies. We are opposed to any Government action for the introduction of immigrants on the old lines under which there was no discrimination, and anybody who was willing to come to Australia was brought to our shores. No inquiries were made as to their suitability to be citizens of Australia. They were brought out and dumped into the nearest immigration depôt and left to their own resources. They were brought out from their own country into a strange land, and then, so far as the Government were concerned, they were recognised as strangers. I am sure that the Attorney-General must know that we have had a very painful experience of immigration of this kind in Queensland. People introduced in that manner are not the class of immigrants who are afforded an opportunity of developing the resources of this country. They do not get into the country districts, but remain mostly in the cities and help to swell the already overflowing unemployed market. They become active competitors with those who are already in the country, with the result that the standard of living and the rate of wages are absolutely lowered by their presence.

Senator GIVENS.—That is what Senator Dobson wants.

Senator DAWSON.—Probably that is what he wants. There is a very large, influential and wealthy class throughout the Commonwealth, who think that the very ideal of civilization—and it certainly is so for them—is to have five men competing for one man's job. We, as a party, say "No" to that policy.

Senator WALKER.—Can the honorable senator enlighten us as to the Queensland system, under which immigrants were brought out on the nomination of persons already in the country?

Senator DAWSON.—That is a system of immigration that commends itself to me, and to many of my friends. But I am talking of cases where Government money has been given to immigration agents in the old country, who did not care where the immigrants came from, or what their character was, or whether they were capable of developing the resources of Australia or not. So long as they got them here they were satisfied to draw their salaries. The immigrants were dumped into the immigration dépôt and left to become competitors in the congested labour market. We do not favour any such immigration policy as that. We are deadly opposed to it. We are determined to fight any resurrection of that system for all we are worth. I am perfectly willing to assist the Government with all the vigour of which I am capable in a sound policy that will bring to this Commonwealth a class of immigrants who will help us to develop our natural resources. But take the condition of Victoria at the present time. One gets into a train at Spencer-street, and one is not travelling twenty minutes before the train goes through a stretch of magnificent land without seeing a solitary soul living on it. One can travel right through this State and find some of the richest land in Australia occupied only by a few sheep—land which, under a proper system of cultivation, would be able to keep thousands of industrious families in a state of affluence. The earth hunger in Victoria is so bad that people even go away to the mallee country, to the place of perpetual thirst—a place where one can hardly keep a goat, even in good seasons. In the trying seasons that sometimes come farmers who have carefully cultivated a crop find that a sandstorm will come along, whereupon not only the crop but their fences disappear under a sand-bank, and they are lucky if their very houses are not buried. We are sending settlers away into those uninhabitable places whilst there are millions and millions of acres within easy reach if only proper arrangements were made to allow settlement to take place. While it will be generally admitted that, as a general proposition, we, as a Commonwealth, have nothing to do—or, at any rate, very little to do—with the land policy of any of the States, still I think we have some power in dealing with the land question of the Commonwealth as a whole. If an intelligent and vigorous policy were pursued, and we could offer inducements to the best class of persons in Great

Britain, in America, and on the Continent of Europe, we should be able to get them without trouble, and they would be a blessing to us. But the immigrants who came out in the olden days were, in my opinion, more of a detriment to our progress than otherwise. Let me tell the Senate what was the result of a vigorous policy of land settlement in Queensland. The Darling Downs is undoubtedly the choicest spot in that State. It was taken up by large estates.

Senator STYLES.—It was said years ago that it was impossible to grow wheat on the Darling Downs.

Senator DAWSON.—Yes, just as it was said that a white man could not live in Northern Queensland; but as a matter of fact the champion white man in this Senate, Senator Givens, has been living for twenty years in Cairns, and his appearance is a living refutation of that lie. This Darling Downs country was held by a few large land-holders. The Queensland Government took steps to settle it. I am pleased to say that I was never prouder of any political act than I was in following the Government on that occasion. They passed an Agricultural Land Purchase Act, and they re-purchased estate after estate on the Darling Downs, with the result that they drew settlers from Victoria, from New South Wales, from South Australia, and even from Tasmania, to go and settle there. Where some years ago there was only a great plain with a few sheep grazing here and there, the country is now dotted with thriving settlements, every one of which is doing well. The unfortunate thing is that in that Act Parliament did not go far enough. They did not insert a provision whereby they could compel land-owners to deal with the Government. The Government can only deal with land that is submitted to them.

Senator GIVENS.—In some cases the Government have paid too high a price.

Senator DAWSON.—Notwithstanding that the Government paid in some instances 50 per cent. more than the valuers' estimate of what the land was worth, the policy has been a success, and a good business transaction for the Government. It has undoubtedly proved of very great benefit indeed to the country. Another experiment in this line that was tried in Queensland was in connexion with the sugar question. As an old banker, Senator Walker will know that under the old large plantation system the growers never succeeded, even

with the help of their dearly beloved brother, the kanaka, in making cane cultivation pay. The banks had the growers tied hand and foot. The Queensland Government came to the rescue and erected out of public moneys central mills. The unfortunate thing is that they did not go one step further, and erect a State sugar refinery, and thus take out of the hands of the Colonial Sugar Refining Company the absolute monopoly of the refinement of sugar. The result of what they did was, however, to establish in the sugar districts a large number of prosperous small sugar-growing farmers who are doing well. Those two experiments have been thoroughly successful in Queensland. When the Government had started those experiments they invited and they got settlers from all the rest of Australia. If the Commonwealth were to inaugurate a similar policy it would be able to get the very best class of settlers, and those who are most essential to us, from other parts of the world, for the development of our wonderful resources.

Senator O'KEEFE.—The Commonwealth has no power to purchase land for settlement.

Senator DAWSON.—It is a matter of negotiation. We certainly have power under the Constitution to put pressure upon those who have the control of the lands of the States. That is another question; and if the Commonwealth Government had a mind to do it they would soon find out how to do it. If they made an earnest attempt I do not think they would find the Labour Party backward in giving them all the assistance they could possibly expect in that direction. But the tendency throughout the States of Australia is not to encourage either those who were born in the country or who come into the Commonwealth to settle here. There is no encouragement whatever. Quite the contrary. We find that the very class of settlers whom we want, and the native born, who are already here, are treated so badly that they are leaving as fast as they can for the purpose of trying to get better terms elsewhere. Instead of doing something to attract settlers of the right kind to Australia, we have been allowing Victorian settlers to go to South Africa. What were the South African conditions? No Australian was allowed to land in South Africa unless he had a certificate. He could not obtain that certificate unless his character was guaranteed by some reputable person. Even then he could not land unless he had

£100 in his pocket before he left these shores. Such were the terms imposed by the British authorities in South Africa to induce our best class of settlers to leave the Commonwealth.

Senator STANFORTH SMITH.—Chinamen can go to South Africa free.

Senator DAWSON.—But the Jews are dominant just now. After they got there intending settlers were not allowed to leave the port of Durban, and numbers of them have had to sit down there and see their money wasting away day by day. Many of them are hungering to come back and take up their old avocations in Australia. It would not be altogether an unwise move on the part of the Commonwealth Government if they were to pay the passages of these families back to Australia. I hold that one native born Australian, who knows our country and is insured to our climate, is better than two of the best imported men we can possibly get. There are thousands of Australians in South Africa who went away with their certificates and their £100, and who would now be only too willing to come back. If the Government desire an immigration policy let them start it at once by paying the passages of these people to Australia.

Senator WALKER.—Would the Labour Party approve of that?

Senator DAWSON.—The Labour Party would undoubtedly approve of it. I am endeavouring to inform honorable senators that the Labour Party have no objection to an immigration policy, but they do object to an immigration policy of a particular description. The men to whom I refer are Australians, and the best type of men we could get to settle in Australia. If they were afforded facilities to return to this country I believe they would do so. Notwithstanding the fact that the elections are all over, it is still alleged that Australia is an uninviting place for immigrants, because of the existence of the Labour Party, and because the members of that party have a strong objection to any Britisher coming here, as instanced by the case of the six hatters, the desirability of an immigration policy is being used as a political weapon against the Labour Party. Senator Mulcahy made a special reference to the six hatters. The honorable senator only echoed Senator Dobson, and I am glad that honorable and learned senator has a colleague in the Senate in repeating the parrot cries which

may be read morning after morning in the daily press. When these honorable senators read any statement in a newspaper they come to the conclusion that it is an absolute fact, and cannot be contradicted. The other day I noticed that in dealing with this question the Melbourne *Argus* stated that on every occasion an explanation was made either by a member of the Labour Party or by a member of the Government, and this resembled a continual washing of hands. I point out that whilst that, at all events, presupposes that our hands are clean, the difficulty about the *Argus*, and those who agree with it, is that they never wash their hands, and they have been so long dirty that if they started to clean them now they would be entitled to an old-age pension before they struck the skin. I would point out to Senator Mulcahy that the six hatters were never excluded from Australia. No effort was made to exclude them. This Parliament—whether in its wisdom or unwisdom, I care not—passed a law requiring compliance with certain provisions by those who came to the Commonwealth under contract. The six hatters came to Australia under contract, and until they complied with the provisions of the Commonwealth law they were kept in Sydney Harbor. The moment they did comply with its provisions, and satisfied the authorities that they had done so, they were entitled to land, and they were landed. That, however, is not what I complain of in the way in which Senator Mulcahy and those who agree with him continually treat this question. It would be as well if some of these people were to take a diet of fairness and frankness; a little honesty for a change would be as beneficial to them as is a change of air to a sick man.

Senator MULCAHY.—Is honesty confined to the Labour Party? Have they a monopoly of it?

Senator DAWSON.—It would certainly appear that on this particular question honesty is confined to the members of the Labour Party and of the Government.

The PRESIDENT.—I hope the honorable senator is not imputing dishonesty to members of the Senate.

Senator DAWSON.—No; I am only giving a little advice, though, like a lawyer or a doctor, I do not charge for it. I am supplying a free prescription for political health. Every time these people mount a platform to talk to the public about the six hatters through *Hansard* or through a newspaper, they do so in such a way

as to convey the impression that no one can enter a port in Australia or land upon its shores without being subjected to certain provisions of the Immigration Restriction Act.

Senator MULCAHY.—I am sure I never conveyed that impression.

Senator DAWSON.—The honorable senator conveyed that impression to my mind distinctly. These people never take the precaution of pointing out that, even though the six hatters were detained, many thousands of persons are admitted to the Commonwealth without question. Only the other day the Vice-President of the Executive Council laid upon the table of the Senate a paper showing that 44,000 people had entered the Commonwealth without question. That side of the case was never put by the individuals to whom I refer. They are eternally bringing up this bogey of the six hatters, and, to a large extent, they have designedly, I believe, allowed it to be inferred that desirable settlers will not be admitted to Australia, except under a strict administration of the Immigration Restriction Act. The whole thing is fiction, and it is neither a proper nor an honest way of referring to the operation of that Act. I do not wish, at this stage, to say any more upon the immigration question, but I emphasize the fact that the Labour Party is not opposed to an immigration policy, and that, on the contrary, they are prepared to do all they can to assist the present or any other Government to introduce the right class of settlers to assist us in developing the great resources of Australia. I think that I know as much of Australia as most honorable senators, and no one can travel through the rich tracts of very valuable country that we have without it being brought home to him that the mere handful of people now in this Commonwealth is entirely incapable of fully developing our resources. But we should not take money from the taxpayers to introduce a class of immigrants who will remain in the towns, and who will only make bad worse, instead of assisting us to develop Australia. We are prepared to go to any length to introduce the right class of immigrants who, when they come here, will settle upon our land and assist us to make Australia what it ought to be. Passing from that subject, I desire to touch, as briefly as possible, upon a matter of very great interest to the State of Queensland.

Reference is made in the Governor-General's Speech to the failure of the Government to secure an acceptable tender for the mail services. I notice that the Prime Minister, in another place, has made an additional statement, to the effect that another offer has been received and that the matter is still under the consideration of the Government. So far so good; but both these statements are unsatisfactory to Queensland. Prior to the closing of tenders, representatives of Queensland in the Senate and in the House of Representatives waited upon the then Prime Minister, Sir Edmund Barton, to urge upon him that in all fairness it should be a condition of any contract made that at least one port in Queensland should be made a port of call. We requested that failing that the Government would call for alternative tenders. So far as I know, nothing whatever has been done in the matter. Tenders were called for, and Queensland's interests were not considered, notwithstanding the fact that the Attorney-General of the Cabinet is a representative of that State.

Senator DRAKE.—We did call for alternative tenders for Brisbane.

Senator DAWSON.—I am hearing that news for the very first time.

Senator DRAKE.—I proclaimed it all over the place.

Senator DAWSON.—Very well, I will say no more about that. The position at present is that if the Government propose to call for fresh tenders, representatives of Queensland are prepared to deputationize them again to urge the claims of that State; but if the Prime Minister's suggestion that the offer by cable is to be taken into consideration by the Cabinet and a contract closed without consultation with Parliament, I, as a Queenslander, enter my protest at once, unless provision is made in the contract recognising the claims of Queensland to have at least one port in that State made a port of call. It must be recollected that the carriage of mails is not the only consideration. The important question of the transport of perishable products is involved, and it is a monstrous thing to ask the State of Queensland to contribute annually for the purpose of subsidizing boats calling at ports in New South Wales, Victoria, South Australia, and Western Australia when not one port in the former State will be benefited by the arrangements made. What advantage can we in Queensland derive from the subsidy if the boats are not to call at any Queensland port? It is absurd to suggest that we shall derive

any benefit from the mail service. The only benefit we could derive would be by the boats calling at a Queensland port, and so affording us an opportunity to develop our trade in perishable products.

Senator FRASER.—And it would cost very little money to provide for that.

Senator DAWSON.—As the honorable senator says, it would cost very little money. It must also be remembered that, so far as a mail service is concerned, the States of Queensland and New South Wales subsidize a line of mail steamers for the benefit of all the rest of Australia, and they have never asked Victoria or South Australia to contribute a solitary penny towards the cost. In the circumstances, we are, in Queensland, entitled to a little better treatment than we have received in the past, or than we are apparently about to receive in the future. If the cable bargain is closed without consultation with Parliament, I can assure the Government that they will hear more about it from representatives of Queensland, and from fair-minded representatives from the other States. I have already mentioned that I am strongly of opinion that the Government are not entitled, in the address they hand to the Governor-General to read to Parliament, to state as a fact that which is in dispute between different parties in Parliament. I refer now to paragraph 5, which makes a reference to preferential trade. I cannot but refer to the remarkable battle-cry of "Fiscal Peace and Preferential Trade." To me that is an absolute contradiction in terms. It is like the mild-mannered Methodist saying — "Peace, peace, my boy," and immediately afterwards turning round and saying—"Come outside and put them up." If we are going to have preferential trade, how are we to have fiscal peace? Surely the whole of the differences between the protectionist on the one hand and the free-trader on the other, and the fair-trader in between the two rabid sections, must be raised, and where then will be fiscal peace?

Senator PLAYFORD.—The paragraph does not say anything about fiscal peace.

Senator DAWSON.—That may be so, but the battle-cry of the Government during the late election was—"Preferential Trade and Fiscal Peace." I am inclined to think that the Prime Minister, like the lamented poet Pope, is ever willing to sacrifice sense for sound. He

got hold of a fine-sounding phrase, and forgot about the sense of it. "Preferential trade" is only another term for the fiscal issue that has originated in another portion of the Empire. As a matter of fact, I am inclined to think that it has no right to appear under any guise whatever in the Governor-General's Speech to this Parliament. I do not approve of this paragraph, and I deprecate the message that was sent by Mr. Deakin to Mr. Chamberlain—not from Mr. Deakin to Mr. Chamberlain as individuals, but from Mr. Deakin as the Prime Minister of Australia, and on behalf of the whole of the people of Australia to Mr. Chamberlain as the leader of the preferential trade campaign in Great Britain.

Senator PLAYFORD.—Is the honorable gentleman against preferential trade?

Senator DAWSON.—Will Senator Playford tell me what preferential trade is?

Senator PLAYFORD.—It would take me too long to do so now.

Senator DAWSON.—The honorable senator says that it would take him too long, because it takes a long time to invent things. He does not know, and neither the Commonwealth Government nor the members of the Commonwealth Parliament know, what is meant by preferential trade. Nothing in the nature of a proposal has been laid before us. We have had merely the phrase "preferential trade," and to that the phrase-maker of the Government has added the words "fiscal peace." I object to the Prime Minister so using his position, and, if it were not against the Standing Orders, I would say, so abusing his position, as without warrant, or reasonable justification, to commit the whole of the people of Australia to a particular issue that is dividing political parties in the mother country. The message of the Prime Minister of Australia is being used on every platform in England, and is quoted as the expressed wish of the people of Australia. It is a misuse of words, it is a slander on the people of Australia, and it is absolutely untrue to say that it is the message of Australia to the people of England as to how they shall cast their votes when the next election for the House of Commons takes place. I repeat that in my opinion, the Prime Minister had no right, upon a contentious matter of this description, to commit the whole of the people of Australia to a particular issue when he knows that his strongest and most numerous opponents

are not with him upon that issue. From the point of view of the members of the Labour Party, I feel that it is very misleading, and is a great hardship to us. It would appear from that message, and from the fact that it is to some extent confirmed by the paragraph in this opening speech, that even the Labour Party of Australia, without knowing what the proposals are, but merely seduced by the sweet-sounding phrase "preferential trade," are in favour of the policy, thus prejudicing the labour vote at the forthcoming elections in the old country. It is a very great pity that there are not some clear and definite means of undoing the mischief which the Prime Minister has done, and which he was not warranted in doing. I feel that if any proposal were made to condemn this paragraph the Government would immediately rally their forces and say that it was equivalent to a censure, and the vote which would be cast would not be a vote for or against preferential trade, but a vote for or against the Government, losing sight of the real reason why the amendment was moved. It was very unfair, indeed, on the part of the Government to confirm the message of the Prime Minister by a paragraph in the opening speech. I consider that on this question of preferential trade, and the deliberate action of the Government, honorable senators ought to express their opinions fully and freely. All I am concerned about is that neither the people of Australia nor the various sections in this Parliament shall be pledged by any action of the Government, either by a despatch or by a paragraph in the Governor-General's Speech, to the principle of preferential trade. We ought to have placed in our hands definite proposals which could be debated on their merits. We ought not to be carried away by a mere phrase. The leader of the Labour Party in another place put the case very clearly when he said that this Parliament ought not to interfere in the slightest degree with the agitation for preferential trade until the people of Great Britain have had an opportunity of expressing their views, when of course a proposal could be sent to us in a concrete form to be considered and dealt with. Holding this view and feeling very strongly on this question, I move, as a rider to the Address in Reply—

That the following words be added:—But this Senate does not agree with any expression upon the question of preferential trade until definite proposals have been submitted to us by the Imperial Parliament.

The PRESIDENT.—Does any honorable senator second the amendment? If not, it cannot be put.

Senator GUTHRIE (South Australia).—I beg to second the amendment.

Senator PLAYFORD (South Australia, Vice-President of the Executive Council).—Senator Dawson is aware that if such an amendment were submitted in another place it would be taken as a motion of no confidence. Of course we cannot take such an amendment if it is carried in this Chamber as a vote of no confidence. Certainly we shall oppose the amendment. I think that when my honorable friend has heard my statement with regard to the question of preferential trade and the position in which it stands, he will see that there was not the slightest necessity for him to move the amendment. When the Government of Great Britain intimate what preference they propose to give to the Colonies, it will be time enough for us to state what preference we propose to give to Great Britain. That is exactly the position which the Government has taken up.

Senator DAWSON.—Oh, no!

Senator PLAYFORD.—Unmistakably it is. We are in favour of preferential trade.

Senator DAWSON.—What is it?

Senator PLAYFORD.—We are in favour of the people of Great Britain altering their Tariff in a direction which will give preference to our products; and we say that, until they tell us what preference they intend to give us, we are not in a position to say what preference we shall be able to give them. There is one question which we miss on the present occasion, and that is the fiscal question. I feel very much for Senator Pulsford under the circumstances, because we know how he made that question peculiarly his own, how he quoted reams of figures to us, and enlightened us on many occasions. I am afraid that since the leader of the Opposition in another place has buried the fiscal question, at all events for the term of this Parliament, my honorable friend's occupation is gone, unless, of course, he can take up some other question, and enlighten the Senate on it equally as well as he did on that question. I propose to base my statement on a few notes which I made when the mover and seconder of the Address in Reply were speaking. I have to congratulate both those honorable senators on the very admirable speeches which they delivered. The first point which was made by Senator Trenwith

was in connexion with the Treasurer's proposal to take over the States debts. He approved of the proposal, but would provide for a sinking fund by means of a land tax. On the other hand, Senator Pearce would provide for the payment of old-age pensions by means of a land tax. Whether the land tax should be used to provide a sinking fund or to pay old-age pensions is a question which will have to be fought out by a few honorable senators. Section 105 of the Constitution provides, in the first place, that the Commonwealth may take over the States debts. I infer that we should have to obtain the consent of the States before the power could be exercised. The section provides, in the second place, that the debts which may be taken over shall be those which existed at the establishment of the Commonwealth; and, in the third place, that the States debts shall be taken over on an indemnity given by the States to the Commonwealth. Since 1901 the States have borrowed twenty or thirty millions sterling. If we decided to take over the whole of the States debts—and that is certainly the best thing which could be done in the circumstances—it would be necessary to alter the Constitution; and that is a very difficult matter. It will be remembered that this difficult subject was considered a short time ago at the Treasurers' Conference which sat in Melbourne. The questions which the States Treasurers were asked by the Federal Treasurer to consider are stated in a Treasury memorandum in these terms—

1. Should the Commonwealth take over the whole of the State debts as at 1st January, 1901, or only a portion thereof?
 2. Should the Commonwealth take over from the States any and what assets upon which loan money has been expended?
 3. Provision for an adequate sinking fund advantageously invested and securely guarded against being used for any other purpose.
 4. An arrangement by the States and Commonwealth as to the extent, conditions, and times of future borrowings.
 5. Whether the Commonwealth should not, in future, conduct all financial operations for itself and the States.
 6. What form the indemnity by the States to the Commonwealth should take.
 7. When, how, and under what conditions can the existing loans be best converted and consolidated?
 8. Is it wise for the Commonwealth to take over the debts from the States until arrangements have been made with the bond-holders for reasonable terms?
- On that last point I would remark that, by taking over a portion of the States debts and forming a Commonwealth stock, we

should give an extra value to the remainder of the States stocks, and merely play into the hands of the present bond-holders. The Treasurer believes in taking over the whole of the States debts, subject to an indemnity by the States for the payment of the interest. Senator Pearce put the matter very fairly and correctly yesterday when he quoted a number of figures which I need not repeat. The Treasurer wishes to take over the whole of the States debts, because he desires to have only one Australian stock on the London market—a very great advantage, as honorable senators know who have any knowledge of finance. To do so he would require, not merely the whole of the Customs revenue, but considerably more in the case of some of the States. As Senator Pearce pointed out, the position in other States would be different.

Senator STEWART.—But suppose that the Customs revenue should fail very much.

Senator PLAYFORD.—If it did, and we needed more revenue, I suppose that we could increase the customs duties.

Senator STEWART.—Is the honorable gentleman a revenue tariffist?

Senator PLAYFORD.—We are all revenue tariffists, as the honorable senator knows. Funds have to be provided for Commonwealth and States purposes, and whether we are protectionists or free-traders, a revenue must be raised through the Customs. Mr. Butler, the Treasurer of South Australia, proposed that the transferred properties should be paid for by the Commonwealth taking over a certain proportion of the States debts. I may mention that the value of those properties is estimated at from £8,000,000 to £12,000,000. He suggested that, for this purpose, the Commonwealth should take over a proportion of the States debts, say up to £20 or £30 per head of the population in each State, and that then the Commonwealth would have sufficient money in the balance of the Customs revenue due to each State to pay the interest. Honorable senators know that the whole subject is again to be referred to the Treasurers of the States at a meeting which is to be held next month. It is an exceedingly important matter, not only to the States but to the Commonwealth. All we wish to do is to make the best possible terms we can with the States in the interests of the people of Australia as a whole. We are bound by the Constitution to do certain things, and we intend to abide by its provisions. We believe that in the future the States

ought to borrow in the London market through the medium of the Commonwealth, which would be able to get the money more cheaply than they could. Our ultimate aim would be to have only one Australian stock on the market. That could not be accomplished at once. Suppose that the whole of the States debts were handed over to the Commonwealth, they could not be converted with advantage on the London market to-day. Persons who own stock will never take the exact market equivalent from you if you wish to purchase from them. The great majority of the bond-holders in the London market are persons who hold our bonds for investment purposes only, and they do not wish to part with them at the mere market equivalent. When New Zealand converted about £15,000,000 worth of stock, it had to pay a considerable amount in excess of the market equivalent. That meant a loss to the Colony. The Commonwealth must be guided by that example. Even suppose that we took over the States debts, we should have to wait until the bonds were approaching maturity before we could convert them into Australian stock. Some of these bonds could not be converted for a period of thirty or forty years, and I am afraid that most of us will be in our graves before we shall be able to get only an Australian stock placed on the London market. Honorable senators have made a little fun of paragraph 4 of the opening speech. In paragraph 3 we are told that the question of taking over the States debts has been under consideration, and that a Conference of States Treasurers on the subject has been held; and in the next paragraph we are told that—

The re-adjustment of Federal and State finances contemplated in such an arrangement will, it is hoped, present an opportunity for the adoption of an uniform system of old-age pensions throughout the Commonwealth.

Senator MCGREGOR.—Will they have to wait fifty years for the pensions?

Senator PLAYFORD.—The imagination of honorable senators has not been strong enough to find out a connexion between the two paragraphs. They have made a great deal of fun here, and asked what connexion there is between the question of old-age pensions and the question of taking over the States debts. The connexion is plain enough. In this Conference with the States Treasurers the Commonwealth Treasurer was trying to make a bargain with the States with regard to their

debts. We are to take from them, in the words of the Constitution, some "adequate amount" for the purpose of making good the extra money which we shall have to pay as interest on their debts. The position, so far as concerns old-age pensions is this: There are two States which have old-age pensions—New South Wales and Victoria. Queensland, I understand, has a partial system, paying something like 5s. a week to a number of elderly people. South Australia, Western Australia, and Tasmania have no old-age pensions systems. So far as the two principal States are concerned all we have to say is—"Do you not think that it would be wise for us to have a uniform old-age pensions system extending over the length and breadth of the Commonwealth?" They would be prepared, I should imagine, to say "Yes." They would be willing for the Commonwealth to pass a Bill establishing old-age pensions, and willing to indemnify the Commonwealth for relieving them of their present payments on that account. They would save the money they are now spending. In New South Wales, I think, the amount is £500,000 a year. In Victoria the amount is perhaps £200,000. It is acknowledged to be a blot upon the legislation of the States that have old-age pensions, that the pensions are only payable to aged people who have lived in the State for a certain number of years consecutively. If we have a uniform system, no matter in what State a person may have been living, if he has been a resident in Australia for a reasonable time, he will receive a pension. Unless the two States which now pay old-age pensions agreed to indemnify us for paying them on their account, it is clear that we could not institute a system of old-age pensions for all Australia—at all events, so long as the Braddon section lasts—without resorting to direct taxation.

Senator PEARCE.—Would not that system put our old-age pensions at the mercy of any State Treasurer if he wanted to upset the bargain?

Senator PLAYFORD.—He could not do that when once the Commonwealth had agreed to it. The only authority that could withdraw from the bargain would be the Commonwealth, by repealing the old-age pensions law.

Senator PEARCE.—What money could the Commonwealth use?

Senator PLAYFORD.—That is not for me to say. The Commonwealth Treasurer is prepared to point out what funds can be used. So far as New South Wales and

Victoria are concerned, they provide the funds already. What funds do they use? Therefore, it is clear that the statement that there is no connexion between the States debts and old-age pensions is not a fact. In the past it has been argued, both by the leader of the Opposition and the late Prime Minister, that their policy was not to resort to direct taxation, but to leave that source of revenue to the States. The States must have revenue from some source or other.

Senator PEARCE.—Does the present Government indorse that policy?

Senator PLAYFORD.—I believe that they do. The matter has never been discussed in Cabinet, but I indorse it. It is better for the Commonwealth not to interfere in direct taxation, but to leave that to the States. They cannot carry on the administration without money, and they can only get money by taxation. If we take from them direct taxation, as we have already taken Customs and Excise, I do not know where they will get money from. Take a case in point, and see how it will work. Suppose that we said that we would impose a system of land taxation. What would be the result? According to the Constitution any taxation that we impose must be uniform throughout the Commonwealth. We cannot have a land tax at one rate in one State and at another rate in another State. What then is the position? If we impose a land tax to-morrow those States which already have land taxes would have an additional land tax thrust upon them, and those States which now have no land taxation would have a new land tax. The land-holders in the States where there is already a land taxation would have the burden of two land taxes to bear.

Senator STEWART.—Where is there a heavy land tax now?

Senator PLAYFORD.—We have one in South Australia. I do not argue in this way because I am not in favour of a land tax. If I remember rightly it was while I was Treasurer in South Australia that the land and income and absentee taxes of that State were introduced. But I am opposed to the principle of land taxation advocated by Senator Pearce. He wants to have a land tax for the purpose of bursting up the big estates. He said that he did not believe in leaving all direct taxation to the States, and that he wanted a tax which would result in unlocking the lands. What does unlocking the lands by taxation mean but bursting up the big estates? If we were

to impose a land tax sufficiently high to have that effect we should penalize the holders of the smaller areas, as well as the holders of the larger estates. It is all very well to say to a man who holds, say, 50, 100, or 200 acres, and who is a small holder—"We are going to impose a land tax to burst up the big estates of your neighbour, and you are only going to pay a few shillings in the pound, while the other man will pay as many pounds." But the small land-owner will know that the man who pays a small amount very often pays more in proportion to his means than the man who pays pounds. If we are going to burst up the big estates we should do it on the plan which I proposed in South Australia—by taking the large estates by compulsory purchase.

Senator STANFORTH SMITH.—What is the use of selling land and buying it back at an increased price?

Senator PLAYFORD. — The policy which I favoured was not to sell land at all, but to lease it. We started a leasing system in South Australia, and we had at the same time the system of the right of purchase after so many years of occupation. We made the two run concurrently; but we took care in our regulations and in the administration of the Act that the man who took up land on a perpetual lease, with the right of re-valuation every fourteen years, should get his land on better terms than the man who took up land with the right of purchase. The result was that an immense quantity of land was taken up on perpetual lease. What was the result? After a time an agitation was commenced against the re-valuations, which it was said were grossly unfair. The settlers said—"These re-valuations increase the cost to us, and they make us pay a higher rent!" They petitioned Parliament to do away with the periodical re-valuations. The result was that Parliament passed a Bill altering the Act, striking out the re-valuation sections, and allowing the holders to keep their land under a perpetual fixed rent. But they went further than that—and this shows how troublesome it is to manage a land system of this kind when we have a number of self-interested people who are electors, and who can influence members of Parliament. As the result of further agitation, while I was in England, Parliament passed a Bill giving to these men the right of purchase. That is the position at the present time. If we are going to break up the large estates, let us do it fairly, and not

adopt the Georgian system, which means taxing land-holders to such an extent that it is not profitable to them to occupy their land. That would be grossly unfair. I believe in treating all classes of the community fairly. The land-holders have acquired their land under the laws of the country. In most instances, they paid a fair price for it. Many of the original holders have sold out to others, who bought at the market price. The men who originally held the land have got the unearned increment and cleared out. What are we going to do with the men who have paid the market price for the land they hold? How can it be fair to turn them out by a system of taxation? But I will not pursue that point further. The mover of the Address in Reply alluded to the additional revenue that the Commonwealth might obtain by acquiring the right to coin silver. The Government have not lost sight of that question. I am informed by the Prime Minister that a considerable correspondence has taken place, and is still taking place, between the Federal and the Imperial Governments, and that recently there has been received a long communication necessitating a full reply. The Prime Minister and the Treasurer are dealing with the subject exhaustively. It is true that we can make a considerable profit by minting silver.

Senator GUTHRIE.—£50,000 a year?

Senator PLAYFORD.—I do not know the amount, but it is considerable. I do not know to what extent silver coins depreciate by wear. Of course, if the coinage of silver is handed over to us, we shall have to make good the loss by depreciation, but even then we shall make a fair profit. Senator Trenwith also alluded to banking, and pointed out what might be gained by having a Commonwealth note issue. I am not quite sure whether I understood him accurately, but I believe he said that he was in favour of the establishment of a Commonwealth bank. Turning to the Constitution on this point, we find amongst the matters that the Commonwealth Parliament has power to make laws for—

Banking other than State banking.

That means that we cannot interfere with a bank established by a State. Also—

State banking extending beyond the limits of the State concerned.

That means that if a State establishes branches of its bank in another State those branches come under our purview, and we may legislate for them.

The incorporation of banks.

That is the incorporation of any company that may be established.

The issue of paper money.

There is no doubt, therefore, that we have the fullest powers if we choose to exercise them, and that we could establish a bank of issue. When I was Treasurer in South Australia I had this question brought prominently before me, and my sympathies were undoubtedly in the direction of establishing a State bank. I saw a chance of making some profit out of the issue of State notes. I went into the matter very fully, and I came to the conclusion that I could get nearly the whole of the profits made by the banks upon their note issue by simply putting a tax on their notes that would leave them a little margin. I put it down at 2 per cent., and at present the bank note issue in South Australia is a 2 per cent. issue. The result has been that in the city of Adelaide, and in the centres of population, a bank note is very seldom seen. The currency is nearly all gold. My man who goes to market for me used to bring me home notes. Now when he brings home the market proceeds he brings two things. I rarely see a note, but he brings home gold and cheques. That is the case throughout the city and suburbs of Adelaide. In the country districts notes are still fairly well circulated, for the reason that it is easier for the banks to send notes to their country branches than it is to send gold, as well as being safer and cheaper. The honorable senator said that he thought that the note issue throughout the Commonwealth amounted to £4,000,000 odd, but I find from the latest figures that I can get that the note issue throughout the Commonwealth—including Queensland, which issues her own notes, whilst in the other States the notes are issued by the banks—is £3,700,000. Senator Trenwith thought that if we had a system of national banking the issue of notes might amount to from £6,000,000 to £8,000,000, and pictured a state of things by which the Commonwealth would make about £300,000 a year without the slightest trouble. He intimated the value of the notes actually in circulation at present at between £6,000,000 and £7,000,000.

Senator PEARCE.—To account for the difference he pointed out that they did not reckon the notes in the banks, but only those in circulation out of the banks.

Senator PLAYFORD.—They only reckon the notes in circulation. I do not see how

we could tax the banks upon notes held in the banks.

Senator PEARCE.—They are in circulation. They are notes in use.

Senator PLAYFORD.—I am not certain of the exact words, but I think the reference is to the daily, or weekly, average note issue. The banks should certainly not pay upon notes which are not in circulation. They give from day to day their note issue; they show the notes paid into the bank, and the notes issued from the bank. It would not be right to impose a tax upon notes paid into the bank. I think the arrangement made is fair, but I have no doubt that the honorable senator is quite accurate in the statement he made that a certain number of the notes are paid in and a certain number issued from the bank from day to day. However, the argument does not justify the honorable senator in thinking that, because there would be a considerable note issue if we had a national system of banking, there would be a large revenue. If we had Commonwealth notes we should only get the advantage of those in actual circulation, and not of those paid into the Commonwealth bank. Here, again, if the matter is properly considered, it will be found that a national bank will not provide the profit imagined.

Senator FRASER.—We have too many banks already.

Senator PLAYFORD.—It must not be forgotten that by the establishment of a Commonwealth bank we should take away from the States the revenue they are receiving at the present time upon the issue of bank notes. Directly we established a Commonwealth bank we should take away the profit which Queensland now makes from the issue of her State notes, and the profit made by South Australia from the tax upon bank notes issued there by the ordinary banks. We should at once be interfering with the revenue of the States. I should very much like to see a Commonwealth bank established, if it could be shown that we would make a profit from it, and that it would be of benefit to the people. In South Australia I looked into the matter very carefully, and I came to the conclusion that what we could do was to get all the profit that could be made from the note issue by taxation, so I proposed a tax on bank notes, and supported the establishment of a State bank for the purpose of lending money to landowners and settlers. That was done in South Australia, and it has turned out a very considerable success.

Senator GUTHRIE.—That was not the decision of the Royal Commission that sat in South Australia.

Senator PLAYFORD.—I do not just at the moment recollect what the Royal Commission recommended. The next matter to which the honorable senator referred was arbitration, and here he made use of an argument with which I entirely agree. If arbitration is to be successful it must be compulsory. We cannot get away from that. I will take the case of South Australia again. When the first Arbitration Bill was introduced in that State by my friend the Right Honorable C. C. Kingston, the measure was in form practically compulsory. Under it those who would not register could be compelled to register. But the compulsory provisions were struck out by the Legislature. That Bill has been in operation for a great many years, and it was, I believe, the first Bill dealing with the question that was carried in any Parliament in the Australasian Colonies, including New Zealand. But, from the very fact that there is no compulsion in it, I say that it has been an unmistakable failure. There have not been many strikes in South Australia, because we are a peace-loving people there. Employers and employes manage their own affairs exceedingly well, and get on comfortably together. When even a big corporation, the Moonta and Wallaroo Company, who employ thousands of hands, had trouble which led to a strike, they settled their difficulties amicably by agreeing that the ruling price for copper should govern the wages paid, that the wages should fluctuate as the price of copper fluctuated, but that at all times the men were to get what might be called a living wage. That has been going on there for twenty or thirty years.

Senator FRASER.—The Government propose to disturb that happy state of things.

Senator PLAYFORD.—Not at all. The South Australian Parliament passed an Arbitration and Conciliation Bill, but nothing has been done under it. In the instances in which we have had strikes since the passing of that measure in South Australia we have had no means of settling them. The parties concerned would not register under the Bill, and where they were not registered nothing could be done. The provisions of the measure which we have been able to use in that State with good effect are the conciliation provisions. Under the Act certain persons are appointed to inquire into an indus-

trial dispute, and to give their opinion, in order that the public shall not be prevented from forming something like an accurate judgment upon the dispute, which they cannot do when they are left to the *ex parte* statements of those immediately concerned. We have had in South Australia one or two instances in which the conciliation provisions of the Act to which I refer have been brought into operation with a certain amount of good. If we are to have arbitration at all it must be compulsory.

Senator FRASER.—The Constitution does not say a word about compulsion.

Senator PLAYFORD.—If it does not it certainly gives the Commonwealth Parliament power to deal with the whole matter.

Senator FRASER.—It refers to conciliation and arbitration only.

Senator PLAYFORD.—The matter is dealt with in sub-section 35 of section 51 of the Constitution in these words—

Conciliation and arbitration for the prevention and settlement of industrial disputes extending beyond the limits of any one State.

Senator FRASER.—The word "compulsory" is not used.

Senator PLAYFORD.—That was not necessary, because we are given power to legislate as we please in the matter. We can pass a Bill merely for conciliation, or we can pass a Bill for arbitration and conciliation, and we can make it compulsory.

Senator DRAKE. — The introductory words of the section indicate our powers.

Senator PLAYFORD.—Section 51 provides that—

The Parliament shall, subject to this Constitution, have power to make laws for the peace, order, and good government of the Commonwealth, with respect to—

and then, amongst others, follows the sub-section I have quoted. I did not know that there was the slightest doubt upon the point. We have the fullest power to make this legislation compulsory, and the Act will be only so much waste paper if we do not make it compulsory.

Senator FRASER.—The English Act is not compulsory.

Senator PLAYFORD.—And what good is it there? What effect did it have in affording relief to the workers in the slate quarries of Wales? If the Act is not made compulsory a man may refuse to have his case brought before the Arbitration Court. I now come to the question of preferential trade. This is a most important matter,

and it has resulted in a motion of no-confidence being tabled against the Government. I recollect that before I was appointed Agent-General for South Australia, in 1894, this question occupied the attention of a great many of our people. It had been common for public men to say to one another—"It does seem very strange that England will not give her own kith and kin in the Colonies some little preference over foreigners, who would wreck her to-morrow if they had a chance."

Senator FRASER.—England has given us a lot.

Senator PLAYFORD.—She has not given us any more than she has given her greatest enemy. We like to treat our friends better than we treat our enemies. I do not care a fig for the man who will not look after the interests of his wife and family, and of his relatives, better than he will look after the interests of a man who would put a pistol to his head and shoot him down if he had the opportunity.

Senator STANFORTH SMITH.—We have never given Great Britain any preference.

Senator PLAYFORD.—I need only point to the action of other countries. France gives her Colonies preference, and Senator Smith alluded to that himself the other day as something which told greatly in favour of France. The honorable senator told us that even British subjects in the New Hebrides would prefer to come under French rule rather than English rule, because of the preferential treatment given by France to her Colonies. The question was talked about and debated, and in 1894 it was fully considered at a Conference held at Ottawa. I may remind honorable senators of the representatives who were present at that Conference, and the resolution they carried. Canada was represented by Messrs. Bowell, Caron, Foster, and Fleming; New South Wales by the Honorable F. B. Suttor; Tasmania by the Honorable Nicholas Fitzgerald; the Cape of Good Hope by Sir Henry de Villiers, who was Chief Justice of the Colony at the time, Sir Charles Mills, their Agent-General in London, and the Honorable J. H. Hoffmeyer, the leader of the Afrikaner Bond; South Australia was represented by myself; New Zealand by Mr. Robert Lee Smith; Victoria by Sir Henry Wrixon, the Honorable Nicholas Fitzgerald, and our friend the Honorable Simon Fraser; and Queensland by the Honorable A. J. Thynne and the Honorable Wm. Forrest. After considerable

discussion, in which the whole matter was thoroughly threshed out, these resolutions were carried absolutely unanimously.

Senator FRASER.—Not unanimously.

Senator PLAYFORD.—I have the record here. They were carried without a dissentient voice. After the resolutions had been moved and modified in various ways the record says—

The preamble was then agreed to, and the resolutions, as finally amended, were submitted and adopted in the following terms:—

Whereas: The stability and progress of the British Empire can be best assured by drawing continually closer the bonds that unite the colonies with the mother country, and by the continuous growth of a practical sympathy and co-operation in all that pertains to the common welfare;

And Whereas: This co-operation and unity can in no way be more effectually promoted than by the cultivation and extension of the mutual and profitable interchange of their products;

Therefore Resolved that this Conference records its belief in the advisability of a Customs arrangement between Great Britain and her colonies, by which trade within the Empire may be placed on a more favourable footing than that which is carried on with foreign countries.

Further Resolved that until the mother country can see her way to enter into a Customs arrangement with her colonies, it is desirable that, when empowered so to do, the colonies of Great Britain, or such of them as may be disposed to accede to this view, take steps to place each other's products, in whole or in part, on a more favoured Customs basis than is accorded to the like products of other countries.

Senator FRASER.—Lord Jersey did not vote for the resolutions; he voted against them.

Senator PLAYFORD.—Lord Jersey was not a member of the Conference; he was present only to watch the interests of the Imperial Government, and he did not vote upon any question. He did not even vote upon the question of the Pacific Cable. He was watching the proceedings on behalf of the British Government, and, as might have been expected of such a rank free-trader, he made a report in which, as a matter of course, he did not agree with these prospects. It will be seen that in the resolutions I have quoted, we have preferential trade in all its baldness voted for by Senator Fraser and the other gentlemen to whom I have alluded.

Senator FRASER.—That is so; I voted for it.

Senator PLAYFORD.—We have here, I think, the first instance on record in which this question was brought before what might be called a representative body. The Conference was attended by representatives of

Canada, South Africa, and the Australasian Colonies, including New Zealand; and I have quoted an authoritative statement of their views in favour of preferential trade.

Senator FRASER.—Canada has adopted that principle.

Senator PLAYFORD.—We know what took place afterwards. Canada desired to shame Great Britain into according her preferential trade, and the Canadian authorities thought that the best way would be to grant preferential trade to Great Britain. Unfortunately, Great Britain did not reciprocate.

Senator FRASER.—That is a slander upon Canada.

Senator PLAYFORD.—The honorable senator may think so, but I have a conviction that that was a part of Canada's motive in establishing preferential trade.

Senator FRASER.—It was no part of her motive.

Senator PLAYFORD.—Perhaps Senator Fraser knows the mind of the Canadian people better than I do. I shall leave that as it is, because the honorable senator's word is perhaps as good as mine upon a question of that sort. I come now to the next phase of the question. Amongst other things asked for was that England should give notice to terminate certain treaties in order that the Colonies might be given an opportunity to make terms for themselves. The Liberal Government in England went out, and were followed by Lord Salisbury's Government, in which the Right Honorable Joseph Chamberlain found a place as Secretary of State for the Colonies. When Lord Salisbury came into power, he gave the necessary notice to terminate treaties, and without reference to Great Britain, the Colonies have now a right to enter into reciprocal arrangements with themselves. When Mr. Chamberlain took up the work of the Colonial Office, he went into all questions affecting the Colonies. He desired, so far as he possibly could, to promote, not only the interests of the mother country, but of the Colonies; and, amongst other things, he began to study this particular question of preferential trade. He looked into all the facts, and formulated his own opinion. Like a man of common sense, he did not always adhere to the same opinion. When new facts and altered conditions come before him he found it necessary for him sometimes to alter his views. I desire to point out to honorable senators

what were the views of Mr. Chamberlain in 1896. In that year I was Agent-General for South Australia, and I was in the habit of corresponding with my then Premier, Mr. Kingston, once a week. I was accustomed to acquaint him, amongst other things, with what was going on in the political world of Great Britain. In 1896 I sent him the following communication:—

London, 9th June, 1896.—At the opening of the third congress of the Chambers of Commerce of the Empire, Mr. Chamberlain said, in referring to closer union with the Colonies, that there were only three lines proposed to accomplish this—

First—Colonies to abandon their fiscal systems and adopt ours.

To this the answer is: The colonies will not adopt this proposal.

Second—To adopt the lines laid down at the Ottawa Conference as follows:—

(a) That provision should be made by Imperial legislation enabling the dependencies of the Empire to enter into agreements of commercial reciprocity, including the power of making differential tariffs with Great Britain, or with one another.

(b) Provisions to the contrary in existing treaties to be removed.

Those provisions, as I have said, have been removed.

Mr. Chamberlain said that, in his opinion, there was not the slightest chance of England adopting this course.

Third—To create a Zollverein or Customs Union, which would establish at once practically free-trade throughout the Empire, with freedom of contracting parties to make their own arrangements with regard to duties upon foreign goods, and that Great Britain should agree to place moderate duties upon certain articles which are of large production in the colonies; in other words, the colonies, while maintaining their duties on foreign imports, would agree to a free interchange of commodities with the rest of the Empire, and cease to place protective duties upon any product of British labour.

The moderate duties referred to would comprise duties on corn, meat, wool, and sugar, and, perhaps, other articles of enormous consumption in his country, which are produced in the colonies.

This proposal is one that Mr. Chamberlain thinks might, if it came from the colonies, be fairly considered by the people of Great Britain.

As part of a great policy to unite the Empire, at all events, he said, it would not be met in a huckstering spirit; it would not be met with a blank refusal.

I shall now read to honorable senators the comments which I made in this document, and which I forwarded to Mr. Kingston, as follows:—

I will now give the other side of the picture from a colonial stand-point. So far as the colonies are concerned, this Zollverein would

mean the loss of nearly all our Customs revenue, which would have to be made up by direct taxation. It would mean the closing of most of our manufactories, and practically confine our people to the production of raw material. It would, in proportion to the percentage of duty levied by Great Britain—say, on corn, meat, wool, tea, sugar, wine, &c.—help the colonial and Indian producer. So far as Great Britain would be concerned, it would give her, without a rival, the trade in manufactured goods of all the colonies, and, at the same time, protect her farmers. She would, therefore, doubly gain. The proposal is one-sided, for by it the colonies, as a whole, would suffer on one hand quite, if not more than they would gain on the other.

These were my views of Mr. Chamberlain's proposals at the time. It has been stated by Senator Mulcahy and Senator Gray that Mr. Chamberlain has made no definite proposals. No doubt Mr. Chamberlain has altered his views since he spoke at the meeting of the Chambers of Commerce in London, in 1896; and I shall now read the proposals which he now puts forward, and which he has advocated during his present campaign. These proposals are, of course, submitted to the British people, and we are only incidentally concerned with them, though, of course, it is interesting to us to know what they really are. Some little time before I left London, in 1898, Mr. Chamberlain asked me whether I believed that the Colonies would do as Canada had done, namely, give a preference to Great Britain without receiving any preference in return. I told Mr. Chamberlain that in my opinion the Colonies would do nothing of the sort, but, before making any offer, would wait in order to see what preference Great Britain was prepared to give. I assured Mr. Chamberlain that if any proposal he made was of advantage to the Colonies, it would be to the interest of the latter to give something in return, and that something would be a fair *quid pro quo*, offered, in his own words, in no huckstering spirit. Here are the proposals of Mr. Chamberlain in what he calls his sketch plan:—

A duty on foreign corn, except maize, of 2s. per quarter; and a corresponding one on flour.

A tax of 5 per cent. on foreign meat (except bacon) and dairy produce.

A substantial preference to be given to colonial wine, and, perhaps, on fruit.

To make up this gain to revenue and loss to consumers, he would remit three-fourths of the duty on tea, half of the sugar duty, and make a corresponding reduction on cocoa and coffee.

He would also propose a moderate duty of 10 per cent. on all foreign manufactured goods.

Senator GUTHRIE.—What does Mr. Chamberlain want from Australia?

Senator PLAYFORD.—Mr. Chamberlain does not say.

Senator GUTHRIE.—That is what we want to know.

Senator PLAYFORD.—Mr. Chamberlain has never asked anything from us.

Senator GUTHRIE.—Mr. Chamberlain in his Glasgow speech said that the Colonies would be expected not to start any new industries to compete with manufactured goods we got from England.

Senator DOBSON.—Mr. Chamberlain has dropped that idea now.

Senator PLAYFORD.—I have read the Glasgow speech, and I did not see in it any paragraph to the effect indicated by Senator Guthrie.

Senator PULSFORD.—Mr. Chamberlain has expunged that from the speech.

Senator PLAYFORD.—It may have been a slip of the tongue on the part of Mr. Chamberlain. There is no doubt that in 1896 he did desire the Colonies to give up their protective duties on British manufactures, and very likely that thought was running in his mind when he delivered his speech; but the position is not the same at the present time. I had heard of this paragraph in the Glasgow utterance, but as I say, I could not find it on a careful perusal, and there is no doubt that the speech was revised in order to remove inaccuracies. However, in my opinion the position taken up by the Government is a very proper one, and it is a similar position to that which I assumed without consulting with anybody. I had nothing whatever to do with the deliberations of the Barton Government on the question, but I contend that it is a proper policy to give no preference to British manufactures until we know what preference we are to have in relation to our own products.

Senator DOBSON.—Has Great Britain not given us an immense amount of preference already?

Senator KEATING.—Great Britain gives the same preference to every other country.

Senator PLAYFORD.—That is so; but I have discussed the question already, and I shall not further deal with it. Senator Gray, referring to the Federal Capital, expressed the opinion that there had been sufficient time to enable the Government, if they were in earnest, to submit a proposal to Parliament. I contend that the Government have done all that is possible. There are more difficulties surrounding this question than Senator Gray imagines. In the Ministry there are two great champions, one for Tumut and the other for Bombala; and

these gentlemen are certainly working hard for their respective sites. The Government were not able to deal with the matter in the first session, but after what was practically imperative legislation had been passed, the question was introduced in the second session, when an exhaustive ballot, which was the fairest system which could be adopted, resulted in the selection of Tumut. When the matter came before the Senate, however, the result was different, a large majority voting for Bombala. The present position is that all the other twelve or thirteen sites have been discarded, and additional information is being gathered in respect to the two sites I have mentioned.

Senator GUTHRIE.—Why not discard one of these?

Senator PLAYFORD.—How can that be done if Parliament will not agree?

Senator MULCAHY.—Why does the Government not recommend one site?

Senator PLAYFORD.—It is all very well to ask why the Government do not recommend a site, but it must be remembered that two members of the Ministry are fighting tooth and nail for two different areas.

Senator FRASER.—Let the Government put its foot down.

Senator PLAYFORD.—No doubt the Government might do a great many things; but I do not know that this is a question which might be fairly described as one for the Ministry. The choice of a particular site unmistakably rests with the two Houses, and I do not see that the Government should endeavour to force Parliament to accept any particular area, or to induce their followers, out of loyalty, to vote perhaps against their own consciences on a question of the kind. All that the Government can be asked to do is to bring the question fairly before Parliament.

Senator FRASER.—Parliament is led by the Government, and ought to be.

Senator PLAYFORD.—Does the honorable senator not know that Parliaments very often lead Governments? What can the Government do without the approval of Parliament? It is not the duty of the Government to domineer over Parliament on every little question. There are no doubt questions on which the Government very rightly and properly stake their existence, but it would be absurd to take that step in the present instance. The Government will take care that the question is placed before Parliament in the fairest possible way, and I trust that the two Houses will

come to some agreement. If there were the same number of members in each House the matter might be settled quietly at a joint meeting, and that course might still be carried out if the Senate were given double the voting power of the House of Representatives, but I do not know whether such a plan would meet with acceptance. Personally I am strongly in favour of Bombala. An examination of an immense area has to be undertaken, and surveys are at present being made in order to fix upon a suitable site in each of the territories now under offer at Tumut and Bombala. There is, however, another consideration which I am afraid may result in blocking the whole business, even if we do arrive at the selection of a site. We are, I think, determined that the Federal territory shall be of an area of more than 100 square miles, but we are informed that the Premier of New South Wales is not prepared to recommend the State Parliament to grant a larger area than the minimum of 100 square miles provided by the Constitution.

Senator FRASER.—And he cannot be compelled to do so.

Senator PLAYFORD.—That is why I fear the whole negotiations may be wrecked.

Senator DOBSON.—What is the land worth—£1 an acre?

Senator PLAYFORD.—The value of the land does not matter. The Premier of New South Wales contends that the words in the Constitution, "not less than 100 square miles," means within a few acres of that area. It is held that it is not in the interests of New South Wales to allow the Commonwealth Government to govern more than 100 square miles of New South Wales territory; but I am certain that Parliament will not be content to take that view. In a certain Bill which honorable senators saw last year, the area mentioned was 1,000 square miles, and that is doubtless the area which will be stipulated for. There is no doubt whatever that the Commonwealth should have command of the watershed which will supply the Federal city, and it is easily seen that to that end there must be more than 100 square miles.

Senator GRAY.—Does the honorable senator think that New South Wales ought to give the large area he indicates?

Senator PLAYFORD.—Yes.

Senator GRAY.—Let the Commonwealth take the whole of the State.

Senator PLAYFORD.—But the Federal area must not be within 100 miles of Sydney. If there is any trouble it will be the fault of New South Wales, and not the fault of the Commonwealth.

Senator GRAY.—It will be the fault of the Constitution.

Senator PLAYFORD.—Senator Mulcahy, in referring to the Immigration Restriction Act, said he would allow people to enter the Commonwealth under contract, and made some allusion to the six hatters, of whom we have heard so much. The section of the Immigration Restriction Act is as follows :—

The immigration into the Commonwealth of the persons described . . . is prohibited, namely :—

- (g) Any persons under a contract or agreement to perform manual labour within the Commonwealth: Provided that this paragraph shall not apply to workmen exempted by the Minister for special skill required in Australia, or to persons under contract or agreement to serve as part of the crew of a vessel engaged in the coasting trade in Australian waters, if the rates of wages specified therein are not lower than the rates ruling in the Commonwealth.

I contend that that is a very right and proper provision. I do not mean to say that in the past there has been any great abuse, or that there have been a number of instances in which people have been brought out under contract from the old country, and have been deceived and compelled to work at wages lower than those current in Australia. But we know what has taken place in other countries. In the United States the Parliament had to pass a law, even more stringent than our own, in order to keep out immigrants under contract, and it is our duty to "lock the stable door before the steed is stolen." I am sure that none of us want men to be brought into this Commonwealth under conditions which will compel them to work at lower than the current wages, and bring them into unfair competition with our own workmen; and the only way to prevent that state of things is to have such a law as was passed by the last Parliament. In the case of the six hatters, the Government had no choice, as the Executive, but to administer the law, which they would have been breaking had they acted otherwise. I notice that honorable senators very rightly look after the interests of their own States, and Senator Mulcahy is very concerned in view of the Navigation Bill, about the transport

of Tasmanian apples in the large steamers which are so excellently fitted with refrigerating appliances. I can assure Senator Mulcahy that the Tasmanian apple trade will not be interfered with in any way. The mail steamers will be able to go to any part of Tasmania, and take as many apples, and as much other produce as they like, to all the markets of the world.

Senator DOBSON.—Without any restriction or limitation?

Senator PLAYFORD.—Without any restriction or limitation so far as apples or any other produce is concerned to parts beyond the Commonwealth. The only provision in the Act relating to foreign and British ships is that while trading on the coast of Australia they shall comply with the same conditions that have to be complied with by the coasting vessels.

Senator DOBSON.—That will not do.

Senator PLAYFORD.—Does the honorable senator wish to give the foreign shipping better conditions than are enjoyed by the coastal shipping?

Senator DOBSON.—I do not want any restrictive conditions.

Senator PLAYFORD.—The foreign shipping will be placed under conditions exactly the same as those which control the coasting shipping.

Senator DOBSON.—But the circumstances are not the same.

Senator PLAYFORD.—The circumstances are the same.

Senator FRASER.—The mail-boats have not done any coastal trade.

Senator PLAYFORD.—Then the Navigation Bill can do no harm. By such legislation we shall do only what is just and right, namely, compel foreign shipping engaging in our coastal trade to comply with the same conditions as to wages and other matters as have to be complied with by the local shipping.

Senator GRAY.—Does that apply to passenger rates?

Senator PLAYFORD.—No; we do not fix the rates at which they shall carry passengers.

Senator GRAY.—But if they carry passengers between Melbourne and Sydney, what then?

Senator PLAYFORD.—If they do they will have to comply with the same conditions as our own steamers which carry passengers between those ports. They will have to pay the same rate of wages, and give the same amount of accommodation and comfort to their men as we require for our own

men in the coastal trade. Could anything be fairer? I do not know what the honorable senator wants. Does he wish to treat our people differently from Britishers and foreigners?

Senator DAWSON.—He wants preferential trade for foreigners.

Senator PLAYFORD.—Although I am earnestly in favour of preferential trade for Great Britain, yet I require a *quid pro quo*. We are not in favour of giving a preference to the foreign ship-owner, nor do I believe that the English ship-owner would ask for a preference against those ships which we employ to do our coastal business.

Senator MACFARLANE.—Do the Government propose to debar the representatives of Western Australia from travelling in the mail boats.

Senator PLAYFORD.—I am not going to anticipate the discussion on the Navigation Bill, which I hope the Attorney-General will be able to lay on the table very shortly. Senator Mulcahy may rest assured that it will contain no unfair provision. All its provisions, so far as I have been able to see, are eminently fair, and I believe will be satisfactory.

Senator DOBSON.—Will the steamers that carry the mails give facilities in the way of cool chambers for carrying apples?

Senator PLAYFORD.—The mail contract is dealt with, not in the Navigation Bill, but in the Post and Telegraph Act, which prevents the Government from giving a contract to vessels which do not employ white labour.

Senator DOBSON.—And the Government are going to give weekly contracts to steamers employing "blackies."

Senator PLAYFORD.—That is a very weak argument. Senator Mulcahy said that he did not believe in excluding coloured labour from the mail steamers. No matter what he believes or disbelieves, we have to comply with the law of the land, which says—

No contract or arrangement for the carriage of mails shall be entered into on behalf of the Commonwealth unless it contains a condition that only white labour shall be employed in such carriage.

We have a perfect right to say on what terms we shall enter into any contract for the carriage of mails.

Senator DOBSON.—Considering that we form a part of the Empire. I deny that right.

Senator PLAYFORD.—Under the Constitution Act we have a right to

deal with the matters which are connected with the carriage of our mails. Therefore, it was perfectly constitutional and proper for the Parliament to say on what conditions the Commonwealth would allow steamers to carry our mails, and it has prohibited the use of coloured labour. What has been the policy of Australia on this question? A great many persons speak and write, especially in the press, in a way which show me that they think that this prohibition was never thought or dreamed of before the Commonwealth was established, and that this wretched Parliament has been led by the nose by the Labour Party, who introduced the provision, to the great injury and detriment of the community as a whole. I have not the slightest doubt that if the Government have to resort to the poundage system, there will be as fine a row amongst a certain section of the community in regard to the mail contract as we have had for a considerable time. Although we may save £50,000 a year by having the mails carried on the poundage system, still the chances are that the time of transit will be longer. This question was considered in 1894 by the Premiers of Australasia, at a Conference which was held in Wellington, and a resolution was passed that the Imperial Government, who entered into the contract, on behalf of the Colonies and themselves, should insert a provision that the mails should be carried in vessels manned by white labour.

Senator DOBSON.—The Colonies were told that it could not be done.

Senator PLAYFORD.—The Imperial Government were not inclined to comply with our request. It is clear that all the Premiers of Australasia, in 1894, were in favour of excluding coloured labour from the mail steamers. My point is, that those gentlemen agreed to the resolution because they believed that this was a right thing to do. Surely not one of those gentlemen was so wretchedly mean as to agree to the resolution in the belief that the Government would not insert the provision in the contract! It was moved by Dr. Cockburn, the Premier of South Australia, and I have not the slightest doubt that the other Premiers were just as sincere as he was. It was sent home by South Australia, on behalf of the other Colonies, and with the other Agents-General I waited upon the Government of the day. We asked the Government to require the provision of larger space in the refrigerating chambers,

and, if possible, a reduction of the freights. We got one or two little points conceded, but they said that they could not ask for the exclusion of coloured labour, because the P. and O. Company had employed lascars, who were British subjects, for a great many years, and had carried the mails in a very satisfactory manner. They carried our mails with the Indian crew as far as Ceylon. We were told that the home authorities could not agree to our request, because if they did it would be casting a slur on their Indian subjects.

Senator DOBSON.—Did the Agents-General ask if the Imperial Government would accept Indian subjects?

Senator PLAYFORD.—No; I presume that the resolution of the Premiers meant the exclusion of all coloured labour. The mail contract will terminate at the end of this year. I can assure Senator Dawson that in our advertisement calling for tenders we said—

The tenderers are invited to state the additional sum required to proceed to the port of Brisbane, alternative sums for weekly or fortnightly calls at that port.

I am not the Postmaster-General, and I do not know the exact amounts that were asked. I know that one tenderer offered to comply with the labour conditions, but he asked for a sum very largely in excess of what we had been paying, and also asked for a considerable sum for calling at Brisbane. We could not accept the tender, because the price was too high.

Senator DOBSON.—What was it?

Senator PLAYFORD.—I do not know the amount, and we do not wish to make it known at the present time.

Senator DAWSON.—Will the Senate have an opportunity of discussing this question before the Government close with the offer made in this cable message?

Senator PLAYFORD.—If the Parliament is sitting I imagine that we shall lay upon the table a copy of the offers which have been made, and state that it is intended to close with a certain offer, and if any one objects to our proposal he will have an opportunity of stating the reason for his objections. I do not know that that course will be adopted, but that is the course which I, if I were the head of the Government, would adopt. I think it is only fair in the circumstances that the question should be considered. The position at present is not exactly what Senator Dawson understood the Prime Minister to say it was. My advice is that we had a tender which could not

be accepted because the price asked was exorbitant, and because it did not comply with the conditions regarding refrigerating space and freights. There is a sporting offer from a firm in Glasgow to build so many ships to travel at a high rate of speed. They required many years in which to provide the ships, and desired the Government to put so much money into the concern. We have also received a telegram from a firm in London saying that an offer is on its way out to Melbourne. We do not know the nature of the offer, but certainly the firm knows that we shall not be able to accept any tender which does not comply with our condition that the ships shall be manned by white crews. This firm has stated that it will provide at least an eighteen-knot service. When it was pointed out in the Senate, when the Post and Telegraph Bill was under consideration, that on those terms the Government would not receive any tenders, I said that if the worst came to the worst they would only have to fall back on poundage rates—a system which was tried between Great Britain and America for many years, until America chose to subsidize a line, and Great Britain, in reply to the challenge, chose to subsidize the Cunard line, and so prevent it from joining the Morgan combine. If we do adopt the poundage system some merchants will not be able to get their letters quite as quickly as they do now. But against that fact we shall save £50,000 a year. I have no doubt that we shall have new developments before long. Undoubtedly some firms—British firms, I hope—will build us ships to carry our mails with white crews, and give us quite as good a service as we have at the present time, if not a better one. We may have to wait a year or two, but it will come.

Senator FRASER.—What about the butter and other perishable produce? We live by those.

Senator PLAYFORD.—They will be carried on the P. and O. and Orient steamers. There will, of course, be the usual steamers carrying the mails from England. The British Government will have a mail service to Australia, and the steamers will have to return and will carry produce. Let the honorable senator consider the new lines that are coming into competition with the P. and O. and Orient Companies. There is the White Star line, the Lund line, and the Aberdeen line, all of whose boats carry perishable produce.

Senator DOBSON.—Has Great Britain entered into an arrangement to bring English mails out to us?

Senator PLAYFORD.—She has not yet entered into a contract so far as I know.

Senator DOBSON.—Will not the fact that the contractors only carry the mails one way immensely increase the price?

Senator PLAYFORD.—No; I think not immensely.

Senator DOBSON.—It must be so.

Senator PULSFORD.—What are the poundage rates to which the honorable senator refers?

Senator KEATING.—They are the rates agreed upon by the Berne Postal Union.

Senator PLAYFORD.—Yes, they are the rates agreed to at the Berne Conference.

Senator DOBSON.—Suppose the High Court decided that the payment of poundage rates to steamers employing lascar crews was contrary to the Act?

Senator PLAYFORD.—Then we should have to pass an Act of Parliament authorizing the arrangement. We have had to do this when the Judges have decided against what Parliament intended.

Senator DOBSON.—Then there is an alliance with the Labour Party?

Senator PLAYFORD.—That is perfect rubbish. If Senator Dobson will only consider what the Government have done in the past, he will know that we have fought the Labour Party on many an occasion.

Senator MCGREGOR.—And Senator Dobson helped you.

Senator PLAYFORD.—Yes, and Senator Dobson assisted us. Were we led by the Labour Party when we dropped the Conciliation and Arbitration Bill last year? Were we led by them in regard to the education and colour test? When we introduce a measure, having given to it the best attention we can, if any member of Parliament, whether he is in the Opposition or in the Labour Party, or whether he is an independent member, or a supporter of the Government, proposes something which we, on consideration, believe to be an improvement and an advantage, we will agree to it. The Labour Party, which is a considerable party, both in the Senate and another place, have undoubtedly suggested many improvements in Acts of Parliament which this Government have been only too glad to accept. But we are in no way bound to the Labour Party. They have not got their apron strings round us, and are not dragging us after them. But Senator Dobson is fearfully suspicious on this point.

Now I come to Senator Neild, whom, I suppose, I must regard as the leader of the Opposition. There are two or three leaders of the Opposition, but Senator Neild got up after the second of the Address in Reply had finished, and in quite the usual way slated the Government high and low. He brought up certain matters. My honorable and learned colleague has alluded to several of them, and conclusively proved that Senator Neild was quite mistaken in a great many of his surmises. I wish to refer to one or two personal points that he made. It appears that he was grieved at the way he was treated at the Electoral Office in New South Wales. Senator Neild seems to march up and down the streets of Sydney as a kind of little god. He seems to imagine that if he goes into an office and says—"I want so and so," the fellows there are to jump about and serve him like a shot. If he drops across a poor wretched officer who happens to come from Melbourne, Senator Neild is down upon him right away. Well, the honorable senator went into the Electoral Office. Evidently he did not see Mr. Lewis, but he saw somebody and asked him for some information as to how many votes he had polled at the Senate election. A New South Wales officer was going to give the honorable senator the information, but he states that an officer from Melbourne jumped up and said that he could not have it. That is one of his grievances. I will tell the House the actual facts, as officially supplied to me, and from them honorable senators can form their opinions as to what attention it is worth while to pay to the honorable senator's statements. The reply to his statement that he could not get information as to the number of votes is as follows:—

Mr. Biden was Commonwealth Electoral Officer for the State of New South Wales. He declared the result of the Senate elections on the 4th January, and, in so doing, publicly announced the number of votes recorded for each candidate at the election.

Secondly, Senator Neild complains that the information was kept back "for the benefit of the Minister." The answer to that is as follows:—

The declaration of the poll was made immediately the results were received from the various returning officers, and the announcement made by the Commonwealth Electoral Officer for New South Wales on the 4th January, was not referred to the Minister, the Chief Electoral Officer, or anyone else, prior to the declaration. Senator Lt.-Col. Neild evidently refers to information respecting the details of the voting in each

division. This was not available until last Monday, the 29th ultimo, since when it has been printed and laid on the table of the House. The information was not kept back for the benefit of the Minister, who has frequently urged its early compilation for the purpose of publication, which was impossible, owing to a difficulty which arose in reconciling the local figures sent in by one of the assistant returning officers.

Why Senator Neild blames the Minister for keeping back the information, and for what purpose he should keep it back, I do not know, but evidently the honorable senator assumes for an improper purpose. Then he complains that the Government only paid the Chief Electoral Officer in New South Wales 15s. a day. The answer is as follows:—

With reference to Senator Lt.-Col. Neild's remarks as to the salary of the Chief Electoral Officer, he evidently refers to that of the Commonwealth Electoral Officer for the State of New South Wales, which was 15s. per day, and is considered adequate.

Then the honorable senator says that the Government paid the miserable sum of 11s. a day to presiding officers. The following is the official answer to that:—

Presiding officers were not paid 11s. a day, as stated by Senator Lt.-Col. Neild, but received a minimum fee of £2 for the duty. In my opinion, the Commonwealth Electoral Officer for New South Wales was adequately remunerated for the services which he rendered, and had a sufficient staff to enable him to carry out satisfactorily the duties entrusted to him.

Furthermore, Senator Neild stated that junior officers were sent from Melbourne to New South Wales. That was the trouble—sending fellows from Melbourne to Sydney. The reply is—

It was necessary, in the interests of public business, to send one of the Staff officers from the Central Administration in Melbourne to the Sydney branch of the Electoral Department, for the purpose of dealing with arrears which had accumulated, and for adopting simple official forms of office procedure.

What could have been more reasonable than that? I have now answered all the important points of the honorable senator, whom I suppose I must regard as the leader of the Opposition. I do not think I need say anything with regard to the coloured people who are going to Northern Australia. It must be remembered that the men referred to are engaged in pearling, but if we were to refuse to allow them to work with the pearling fleet the fleet would leave Thursday Island and go to the Dutch Settlements, and we should lose the trade with them. There has been a very interesting communication on this subject from the Government Resident of the Northern

Territory, Mr. Dashwood, in which he clearly points out that this would result if we refused permission to coloured men to be engaged in pearl fishing. I come to the speech of another leader of the Opposition, Senator Smith. He commenced in the usual Opposition style. He told us that the Government were nothing but opportunists. He also informed us that we had included in the Governor-General's speech all the thirty-nine articles that are contained in our Constitutional powers. Another of his rash statements was that we had brought forward propositions in order to see how the wind blows. Evidently Senator Smith is practising in the belief that in the future he is going to be the real leader of the Opposition. Perhaps we have made a mistake in thinking that he is already in that position. But, still, "practice makes perfect," and no doubt Senator Smith thinks that if he gets a little practice in making the usual Opposition attacks upon the Ministry he will "get his hand in," and when his time comes he will be able to do it all the more effectually. I have heard statements like his dozens of times. They are always made by the official Opposition in every Parliament. We are always told that the men in office are opportunists, who are trying to find out which way the wind blows, and to ascertain whether Parliament is likely to support certain measures. They are charged with being "indiarubber" politicians, compressible, spineless, with doing that which they ought not to do, and leaving undone that which they ought to do, and, in fact, with all sorts of wrongdoing. It is the usual stock-in-trade of an Opposition leader.

Senator GUTHRIE.—The honorable senator knows; he has been there.

Senator PLAYFORD.—I have been there on more than one occasion, but I do not think I indulged in that kind of thing very much myself. I am not aware that there is anything else to which I have to refer, except, perhaps, the amendment moved by Senator Dawson. The honorable senator has moved the following addition to the Address in Reply:—

That this Senate does not agree with any expression upon the question of preferential trade until definite proposals have been submitted to us by the Imperial Parliament.

In the first place Senator Dawson must see that he is going against the views of the representatives of the whole of Australasia, of Canada, and Cape Colony, as

expressed at the Ottawa Conference in 1894, and those representatives were leading men who occupied, or had occupied, leading positions in their respective countries. What do we say in the paragraph of the Governor-General's Speech to which the honorable senator objected—

The reaping of bountiful harvests over the greater part of the Commonwealth revives the problem of insuring to the agriculturist a return which will repay his labour and encourage increased efforts.

The honorable senator takes no exception to that?

Senator DAWSON.—I do, because the Government presuppose that the reaping of bountiful harvests is due to the agitation for preferential trade.

Senator PLAYFORD.—No, there is a full stop, and the reference to preferential trade comes after that sentence. We do not say that Providence has smiled upon us, because we are in favour of preferential trade. We say—

The preferential trade proposals now engaging the attention of the people of Great Britain will, if approved, secure to us an immense and reliable market.

Is not that a fact?

Senator GRAY.—No.

Senator PLAYFORD.—It is an absolute fact that, if approved, they will secure to us a bigger and a better market than we have now.

Senator GRAY.—Not a bit bigger.

Senator PLAYFORD.—The fact that we shall get a better price for our products will encourage a larger production, and will help us in every way.

Senator DAWSON.—How do we know? We have not seen any definite proposals.

Senator PLAYFORD.—The statement is based upon Mr. Chamberlain's proposals.

Senator DAWSON.—What are they?

Senator PLAYFORD.—I have already told honorable senators. In the Governor-General's Speech we only make the assertion that the preferential trade proposals, if approved, will secure to us an immense and reliable market. So they will. That is a fact, and Senator Dawson surely does not object to our saying that.

Senator DAWSON.—I certainly do. It is a contentious statement, which should not appear in the Governor-General's Speech.

Senator PLAYFORD.—The speech goes on to say—

My Advisers are pleased to note the cordiality with which these are generally regarded in this

country, and are confident that the feeling will be strengthened when the statesman who is their author is able to visit us.

Are they not regarded cordially in this country? We had evidence during the election that they are so regarded all over the Commonwealth.

Senator GRAY.—No; I won my election against them, and I secured over 180,000 votes.

Senator PLAYFORD.—We know that there are some free-traders who object to all these things. They are aware that their occupation as free-traders will be gone directly Great Britain adopts protection, even in the mildest form, and even if only in favour of her own Colonies.

Senator DAWSON.—The honorable senator cannot say that the question of preferential trade was an issue of the elections.

Senator PLAYFORD.—Undoubtedly it was.

Senator DAWSON.—Then how is it the Government fared so badly.

Senator PLAYFORD.—If not, what did Senator Dawson mean by his reference to what he called the catching phrase which Mr. Deakin used during the election, "Fiscal Peace and Preferential Trade," which was emblazoned upon the banner of the Government? I do not think there is a single representative from South Australia who will not agree that the people of that State will be very pleased if Great Britain will give us preferential trade. I do not know what the people of New South Wales may think I know that some of the people there are a curious lot. I know that sectarian difficulties arise in that State that do not arise in the other States, and all sorts of things are going on there that are never heard of in other parts of the Commonwealth. It may be that the people of New South Wales do not approve of preferential trade, and I suppose they do not care for a fiscal peace.

Senator MACFARLANE.—There is no peace.

Senator PLAYFORD.—There is no peace for the wicked, we know. There never was, and there never will be. I have no desire to pursue the subject further. Senator Dawson had extreme difficulty in finding any one to second his amendment, and the honorable senator who did second it did so, I believe, only for the purpose of enabling the question to be discussed. I feel certain that, when the proper time comes, Senator Dawson will withdraw his amendment.

Senator DAWSON.—I ask leave to withdraw it now.

Amendment, by leave, withdrawn.

Senator PULSFORD (New South Wales).—The extremely light and airy way in which the Vice-President of the Executive Council can approach a subject of the utmost gravity is certainly remarkable. There is no subject of greater importance to Australia than is that of our Immigration Restriction Act, and perhaps I should not have spoken in this debate were it not that I wish to say something upon this matter. I do not care to consider what may be said about our legislation, or the views held by Australian members of Parliament. I believe the people of Australia hold higher and nobler views than those which are embodied in our Acts. I have no hesitation whatever in saying that. I have for a long time, as honorable senators are aware, held views which have had very little parliamentary support. I have not agreed with the views that have been held by any Government in Australia during recent years. But so far as my poor voice has had any influence I have spoken of the desirability of recognising the great coloured races of the world, and of dealing with them with some semblance of courtesy. Some three or four months ago, Mr. Eitaki, the late Consul for Japan, was leaving Sydney, and at a farewell function given in his honour, at which I was present, I said that I hoped that when he got back to Japan he would remember that there were two Australias; that there was one Australia represented by its legislation, and that there was another Australia which more nearly represented the hearts of the people, and which was represented in the streets by the cheers of thousands and tens of thousands as the Japanese troops who were here last year passed through them.

Senator PEARCE.—We cheered them as visitors, but not as residents.

Senator PULSFORD.—This is not the first occasion upon which I have taken the opportunity to say something of this sort. I have from first to last opposed the legislation of New South Wales. I have here a copy of a letter which I wrote in 1897 to Mr. Nakagawa, who at that time was Japanese Consul, and the predecessor of the gentleman to whom I have just referred. After he had left Australia I wrote to him, in 1897, a letter in which, referring to proposed legislation in New South Wales, I said—

When the time arrives for the final disposing of the matter, I am in good hopes that it may

be arranged in a way that will give no offence to your countrymen. I beg you to believe that the people of New South Wales are more liberal and more friendly to Japan than the proposed legislation indicates.

I received a reply from Mr. Nakagawa, he wrote to me from Tokio, to say—

I thank you, sincerely, for your kind note of the 10th December. The tone of your letter relieves a heavy burden from my heart.

He says further—

I hope earnestly that you will let me know any important development regarding the relation of the two countries. For, as pioneer of the Japanese Consular establishment in Australia, I am truly interested in the good commercial relations that will grow up.

I have on all occasions done my best to uphold what I believe to be the true feeling of Australia. I have never said that we should throw the front door open to the coloured races of the world, because I do not believe that we ought to do so. But we ought to remember that those races, which outnumber us by two to one, are God's creatures, and have their rights in the world—that they have their sensibilities—which we should respect. No man to-day can look on the people of the East and say that they are all effeminate; and the time has come when it behoves us to recognise facts if we will not recognise common-sense and courtesy. We ought to remember that we are a portion of the British Empire, and that, as the Empire is a great Asiatic power, our interests are enveloped with those of the millions of Asia. There has always been associated with the name and fame of Great Britain a belief that she has ever done her utmost to promote the interests and welfare of all races, and that she is in sympathy with every country that tries to advance. I believe that Australians to-day are in sympathy with this aspiration of Great Britain. I cannot think that the legislation directed against those races is justified by the hearts and consciences of the people of Australia, and here again I must enter my protest against such prohibitory Acts.

Senator MCGREGOR.—Does Senator Pulsford—

Senator PULSFORD.—I would rather not be interrupted; I know the mind of the honorable senator. When the Immigration Restriction Bill was before us, Senator McGregor interjected—"Senator Pulsford seems very fond of his Indian fellow subjects"; and, on the spur of the moment, I replied that that was true, and that as long as God gave me breath I would do my utmost to speak on

their behalf. I am not deterred by any slurs, and I am conscious that in any part of New South Wales—I do not care where, or before what audience—I should have the sympathy of those who believe in humanity, and in our race doing what is right. I do not care what some of our labour friends say, because, sooner or later, Australia will do what is right in regard to coloured races. The question of coloured labour on steamships lies but on the outskirts of this great subject, but it shows to what ridiculous extremes any fallacy, once accepted, may lead a great and generous people. Surely the time has arrived when we should be prepared to retrace some of our steps. As to preferential trade, Senator Trenwith made some observations of a very remarkable character. He told us that Great Britain is going down—that there was a time when Great Britain was the workshop of the world, and when British manufactures were used everywhere. The honorable senator also said that in 1851 there was held in England a great exhibition, to which people from all parts of the world came, and that when they saw what Great Britain was doing in the way of manufactures, they proceeded to imitate her, and to ultimately oust her out of the markets. The same day I went to the library, and consulted the four volumes of catalogue of that exhibition, and I found that the two first were filled exclusively with British exhibits, while the third contained exhibits from foreign countries, the fourth being devoted to supplementary exhibits of both classes. It is open to any honorable senator to obtain that catalogue in which he can see for himself the large number of exhibits in all classes of manufactures sent to the exhibition from foreign countries. An idea seems to be held by Senator Trenwith, and also by others, that there was a time when foreign nations were “nowhere” and Great Britain “everywhere.” In *Mulhall's Dictionary of Statistics* I find stated the aggregate value of textile manufactures in England and France in the years 1841-50. In cotton goods, the value in the United Kingdom was £469,000,000, and in France £136,000,000, so that the United Kingdom, as we might all expect, was immensely ahead in this industry. In woollen goods the value in Great Britain was £249,000,000 and in France £233,000,000, or nearly the same; in linens the value in Great Britain was £103,000,000, and in France £105,000,000, showing a difference of £2,000,000 in favour of the latter country;

Senator Pulsford.

and in silks the value in Great Britain was £108,000,000 and £140,000,000 in France. These figures show that France was producing more silks and linens than was the United Kingdom, and yet we are asked to believe that the time of the great Exhibition, or when Great Britain adopted free-trade, the other countries of the world knew nothing about manufactures. The same authority shows us the consumption of iron per head in the year 1830. In that year Belgium was consuming iron to the amount of 63 lbs. per head, Sweden to the amount of 60 lbs. per head, and the United Kingdom to the amount of 53 lbs. per head. I am sorry that Senator Trenwith is not present, but as he seemed to indicate that I used figures in a way they were not intended to apply, I should like to say that it would be much better for any senator who holds that belief to quote an instance, rather than make such an easy and general remark. I have here more figures, which show the position of Great Britain as compared, not with all the rest of the world, but with the United States alone, about the time, and after, the former adopted the policy of free-trade. These figures are all taken from *Mulhall*, at page 552, and relate to carrying power of shipping. In the year 1840 the carrying power of British shipping was 60,000 tons in excess of the carrying power of the United States, while in 1860 that of the United States was nearly 2,000,000 tons in excess of that of the United Kingdom. But in 1888 the carrying power of the United Kingdom was nearly 11,000,000 tons in excess of that of the United States. These few figures show clearly that at the time Great Britain adopted the policy of free-trade there were large manufacturing industries carried on in various parts of the world, and that the shipping of Great Britain was as nothing compared with what it is to-day, and was relatively small compared with that of the rest of the world in those days. Perhaps the greatest feature of last century was the marvellous increase which took place in the population of Europe. I believe that we in Australia know a great deal more about both sides of the fiscal question than do the people of England to-day; but the English people are learning. Before this controversy is over they will know a great deal more, and I feel confident that the policy of free-trade will be held more firmly than ever. When 1800 dawned, the population of Europe, after fifty-eight centuries, was 175,000,000,

and a single century later it was 400,000,000, showing an increase of 225,000,000. It is from that marvellous increase of population that arises most of the great and startling changes in commerce and trade we see to-day. In the early part of last century Great Britain had to import a considerable amount of food, but she had to send her vessels no further than across the German Ocean, or to the Mediterranean, where all she required could be obtained. As the century went on, however, and the population of Europe grew, Europe not only ceased to be able to sell supplies, but entered into the markets of the world for food. To-day, Europe is actually importing more food products than the United Kingdom, and that is done mainly by Germany, which is the country in which we are most interested in the relation to the export of manufactures. That country, which exports manufactures, has to import food, and how can it pay for food without exporting something? It is the non-recognition of these simple facts that has led astray many of the greatest intellects at home. I have no intention to enter fully into this great and interesting subject. I am grateful to Senator Dawson for withdrawing his amendment, because at this late stage of the debate it would not have been in our power to do sufficient justice to the subject. I should like to say a few words, however, as to the mail contracts. Some time ago the Government told us we were to have a mail service, the vessels of which would run at lightening speed, and call at all the ports for produce. This Government, who were doing their best to prevent importation, were very eager, according to their own showing, to increase the imports into other countries. That, however, is all of a piece with protectionist logic. The Government in the first instance said they would have a service which would take produce to England at great speed, in vessels manned with white men only. That picture drawn by their imagination has faded away. There is no talk to-day about vessels going to the various ports and collecting produce, but we are led to understand that even the mails will have to go to England in vessels, which may have on board that terrible outrage on humanity—the coloured man. Some honorable members are rather surprised that mail tenders have not been freely offered. I think, however, that it is not generally recognised that speed is what costs money in shipping. A few days ago, I saw an estimate in this

connexion made by the Admiralty, and it showed that while a steamer of twenty knots would require a subsidy of £9,000 per annum, that subsidy would have to be increased to £200,000 per annum when the speed rose to twenty-six knots per hour. That explains the reason why mail steamers cannot accept a paltry subsidy. When we see that all the leading countries of the world are anxious for their mails to be carried with all possible speed, and desire, so far as their finances will allow, to encourage the building and running of vessels at very great speed, we can perceive what is at the back of the policy of the Government, and what an unsatisfactory position is ahead for Australia when the existing contracts run out. From Senators Trenwith and Pearce, especially from the latter, we have had arguments in favour of heavy land taxation, but I do not think that either of them has a sufficient grasp of the subject to entitle him to frame financial policies for Australasia. What would be the result of a land tax? What would it mean to the profits and the values of land? Why do people own land? They own land for the same reason as they own other property, to make money. Suppose that a man owns a city property where the land represents the bulk of the value, and that it is returning 4 per cent., what demand on that return are you making? A tax of 1½d. in the £1 on the value of many pieces of land would be equal to an income tax of 2s. 6d. in the £1, on the rental derived. It means the destruction of the capital values now existing by millions of pounds. How do people value property? How do they value property but according to the return which can be got? If the Government step in and say to a man—"Out of your receipts we want 15 or 25 per cent.," then at once it aims a slashing blow at the value of property and destroys it. We have also heard some discussion about the banking system, and our banks have been referred to. Apparently some persons believe that our great banking institutions are profitable subjects for taxation, and that the amateur may frame taxation schemes touching the banking system. Let our friends beware. During the last ten or twenty years the banks of Australia have paid much less profit than the banks of Great Britain. Financial institution after financial institution has suffered. Many a big institution has gone down, and millions of pounds have been lost by mortgage companies.

Senator GIVENS.—In spite of their great financial genius?

Senator PULSFORD.—Surely the honorable senator must be well aware that when a country is stricken by drought, and when prices fall by one-half on the other side of the world, no amount of genius can prevent the natural consequences of those events; they must be borne. The times in Australia are at present, we are happily able to say, a little brighter. We have been blessed with a bounteous harvest in various portions of the Commonwealth, and we have the promise of good seasons ahead of us. May they continue, for they will be needed. But let us be very careful that by our legislation we do not throw burdens on the interests of Australia which they cannot stand. Let us do our best to lighten burdens. I do not believe that any good can come to a country by the taxation of commodities or by the taxation of land.

Were it possible to sweep away all taxation, would it not be wise to do so? Since we must have taxation, so far as we can let us distribute it honestly in proportion to the ability of the people to bear it. That is the great object at which we should aim. I hope that the time will come when indirect taxation can be abolished. I would to-morrow, if I were able, sweep away all Customs Houses in the world, and insist upon the collection of all taxation in direct ways. But in order to be able to do this, we require to have certain conditions existing, and until these do exist that course cannot be followed. Therefore we must do that which is best in our own interests, and at the same time remember that we cannot promote the welfare of Australia by laying crushing burdens on the very industries on which its prosperity depends.

Senator KEATING (Tasmania).—At this stage of the debate, I do not intend to speak at any great length, because I think that the opening speech is of such a character as to evoke very little hostile criticism. Of course we have had from various quarters the usual fulminations which we may expect to be hurled against the Government on such an occasion, but there has been no substantial adverse criticism of the Ministerial policy. That must be taken as a tribute to the Government. Many honorable senators both on this side, and on the other, have referred to the conduct of the elections. I did not have to seek re-election, and perhaps I had not as much personal experience of what occurred in the management of the elections, as had

some of those who have addressed the Senate upon this matter. Several honorable senators, who like myself had not to seek re-election, have, however, condemned in a very wholesale manner the administration of the Department as exemplified at the elections. But I think it would be well, if, before addressing themselves to this subject, they had borne in mind some singular and unprecedented circumstances. In the first place, it was the first occasion on which the people of the Commonwealth had been polled in a general election on uniform lines. And, in the next place, it was the first occasion on which a general election had taken place in the Commonwealth, with woman suffrage in operation. These two circumstances should be remembered by every person when addressing himself to the subject of the management, or mismanagement of the electoral machinery. It is very easy for honorable senators to come here with a knowledge of the difficulties which arose in one or two portions of an electorate and with hearsay information as to similar occurrences elsewhere and to say that the mismanagement of the general elections was almost criminally gross. Honorable senators should reflect on these circumstances before they enter upon a course of criticism. There have been some criticisms of the administration in connexion with the compilation of the rolls. We have been told by more than one honorable senator, and we are told by persons outside, that the rolls were in a shocking state; that in many instances the names of some occupants of one house were on a roll and other occupants of that house could not find their names on the roll. Surely honorable senators who talk in that strain do not forget that it is only a few months since we had a great many of the leading influential daily newspapers in the different States endeavouring to make a huge joke out of the collection of the names for the rolls. We were told that in each State the police were going round and collecting the names, and we had almost a suggestion in the columns of many journals which were opposed to the extension of the franchise to women that those persons from whom the desired information was sought should show no readiness to furnish it to the officials. I know that in this city the newspapers published, as they did elsewhere, criticisms on the collection of the names for the rolls, and in many of these criticisms there was almost an implied suggestion that

no assistance should be lent to the Department in its effort to correctly compile the rolls. From information which I received at the time, I can say that there were instances in which persons filled up the schedules in a jocular way, and incorrectly returned the names and descriptions of the persons in their houses. We have to remember these circumstances when we hear persons complaining that the rolls were so incorrectly compiled that they were deprived of the franchise. I think that if many of these cases were pursued back to the cause of the incorrectness it would be found that, not the Department or its compilers, but some other persons, were mainly instrumental in causing these defects, omissions, and inaccuracies about which we have heard so much. We are told in His Excellency's Speech that the Government intend to consider the question of introducing a Bill to amend the Electoral Act. I think that in that connexion it might well be remembered that during the recent elections there was more than one instance in which the wishes of a majority of the people of an electorate were nullified by reason of the fact that there was more than one candidate to contest the seat in the interests of the majority of the electors. In several cases we had the advent of splitters into a contest. In one electorate there may be a very substantial majority in favour of the Government or the Opposition or the Labour Party. Recognising that fact, there is more than one candidate from the party which is in the ascendant, and as the polling day draws near there is the intervention of some person who is representing the minority. By reason of the fact that there are more than one candidate representing the views of the majority of the electors, those electors have defeated themselves, and the minority have been able to return a candidate although he has not polled an absolute majority of the votes polled. I think that feature of the electoral system ought no longer to continue. We had an opportunity when the Electoral Bill was before us of preventing such occurrences; but we did not take advantage of it. The lessons of the last election should be laid to heart, and before another general election takes place, we should make provision to insure that the expression of the political opinions of the majority of the people at the polls shall, as far as possible, be reflected in Parliament. There were one or two matters which I thought

might have engaged the attention of some of the critics of the Government, but we have been doomed to disappointment in that regard. We were told during the elections of the atrocious crimes which had been committed by Ministers in connexion with the treatment of certain shipwrecked sailors. That case formed a subject for severe castigation of Ministers; but since Parliament met there has been scarcely any criticism of the Government in the Senate in regard to that case. In my own State it was calmly and deliberately published in cold black and white that the Government of the Commonwealth had thrust poor shipwrecked sailors back into the waves, and it was sought by that means to arouse the bitterest antagonism against Ministers.

Senator MULCAHY.—It succeeded, too, in Hobart.

Senator KEATING.—It succeeded in Hobart to a very great extent, but the Prime Minister was visiting Tasmania, and having an opportunity from the platform of meeting face to face large audiences, he was able to give the truth to them direct, so that his utterances could not be wholly distorted by any amount of journalistic ingenuity. He was enabled in that State to dispel to a very large extent the illusions which those who were opposed to him sought to foster. The electorate of Wilmot was contested by a strong opponent of the Government, but a gentleman for whose attainments, ability, and integrity, every member of this Parliament had the highest regard; but even he, with all his experience, and the advantages he had in his favour, had a very severe fight to retain his seat. Another electorate contested by a former member of this Parliament an opponent of the Government was captured by a Ministerial supporter. That we were able to increase the following of the Government in Tasmania I attribute to the fact that the Prime Minister was able to come into contact with the electors, and to deal with these questions face to face with them. But what was the result in the other States? Day after day, until the elections were complete, the utmost ingenuity was displayed by certain organs opposed to the Government to distort every utterance of the Prime Minister and the other members of the Ministry regarding the affair. The Prime Minister could not be in every State at the same time, and he could not travel as fast as this distorted information travelled. He could not overtake

it in every State and in every electorate. Wherever he could come face to face with the electors he managed to nail down this slander, for it was nothing more nor less than a slander. I have seen references to the *Petriana* case in a journal published in the interior of South Africa. Successive numbers of the newspaper which have recently come to hand have contained paragraphs dealing with the affair. It has been represented to the public of South Africa that the Commonwealth Ministry refused shipwrecked sailors permission to land. I have watched the successive issues of that journal, and there has not yet been a contradiction. The information that was published was taken from the Melbourne *Argus*, and has been proved to be false.

Senator WALKER.—No.

Senator KEATING.—No?

Senator MACFARLANE.—They never did land in Melbourne.

Senator KEATING.—I never said they did. I said that statements which were published in the *Argus* have been proved to be false. The statement of the captain of the vessel was published there. It was afterwards proved that the captain had not been present at any one of the interviews respecting which he professed to give information. The captain went to Sydney directly his statement was published, and we were told to wait in patience for a day or two, when we should be able to hear his reply to the answer of the Secretary for External Affairs. That reply was published simultaneously in the Melbourne and Sydney papers, but never did the captain of the ship make any denial of the statements. He has never yet stated that he was present at any one of the interviews. There we had a specific statement of a high administrative officer of the Commonwealth, who had no personal motives to actuate him in taking a course contrary to law. His statement was not denied in any material particulars. Of course we have had a previous experience of tactics of this kind. During the previous recess the now historical incident known as the six hatters incident occurred. It was then attempted by the press which is opposed to the Government to galvanize that incident into life, so that it might be useful on the reassembling of Parliament, for the purpose of denouncing the Ministry. But when the opportunity for denunciation came, what happened? Were the Government denounced? Hardly to the

slightest extent. As I think I said on that occasion, these gentlemen who had been so loud in their denunciation outside, once they sank down into the cushioned seats of this chamber, roared like sucking doves! All their threats of vengeance against the Government came to nothing!

Senator WALKER.—What about the Stelling incident?

Senator KEATING.—That is a matter which is *sub judice*, and I shall not pass an opinion on it. I neither defend nor criticise the Government in regard to it. It will be dealt with in a proper way. But I do say here, and now, that both in regard to the six hatters incident and the *Petriana* incident, the Opposition press and party magnified and distorted the facts for party purposes, with the result of discrediting the reputation of Australians abroad. I do not for a moment suggest that those who were originally responsible for these aspersions intended such a consequence. But that is what has followed from their acts. I have said unhesitatingly that these tactics were resorted to for party purposes. Although some of the Opposition organs were enabled to devote more than a column every morning to the *Petriana* incident before the elections, once the poll throughout the Commonwealth was closed they dropped all reference to it. If honorable senators will look through the files of the newspapers they will see what an amount of space was devoted to the incident before the elections. Then if they turn to the newspapers two or three days after the elections they will find not a single line about it; and there has scarcely been a line about it since until the last few days. That is clear evidence that the intention in publishing those distortions of fact was to influence the elections. Reference of an unfortunate kind has been made to the principles of the Navigation Bill. I think that honorable senators might restrain impetuosity which leads them to such criticism until they see the measure. We have been told that it is desired to place all the shipping companies engaged in the inter-State traffic on terms of equality. Legislation of that character is in operation in the United States, in Canada, and in New Zealand, and it has had none of the disastrous effects that are predicted for it here. In discussing the Navigation Bill, we shall have the advantage of the experience of those two countries. One honorable senator has suggested that the Bill

might interfere with the trade by steamer between Tasmania and the old country.

Senator MULCAHY.—And between Australia and the old country.

Senator KEATING.—If the principle is affirmed, that all Inter-State shipping should be placed upon terms of equality, it clearly cannot apply to traffic which has its terminals in Australia and some place outside Australia. That is to say, if a vessel is trading between Tasmania and Great Britain that will not be Inter-State traffic. It will be oversea traffic. But if that vessel, in trading between Tasmania and Great Britain, chooses, whilst in Australian waters, to trade between Tasmania and Victoria, Victoria and South Australia, and South Australia and Western Australia, I take it that so long as she is occupied in that trade she must conform to the conditions which we lay down for the regulation of Inter-State traffic. But the moment she leaves her last Commonwealth port the principles of our Navigation Bill with regard to equality of conditions would not apply to her.

Senator GRAY.—They could not apply.

Senator KEATING.—I am not concerned with whether they could or not; they will not apply. It has been stated by Senator Dobson that even a provision of that character would have a very serious effect upon Tasmania, because it would interfere seriously with her tourist traffic. He said that Tasmania desired to become the playground of Australia, and that that State has a large and increasing tourist traffic, with which she does not want interference. I give Senator Dobson the utmost credit for the energy, industry, and enterprise he has shown in connexion with the advancement of the tourist traffic. But I hope honorable senators will not think, because Senator Dobson dwelt so much on that point, that the people of Tasmania are content with the idea that the destiny of their State is to be no higher than that of becoming the play-ground of the Commonwealth.

Senator PEARCE.—She should be the workshop of the Commonwealth.

Senator KEATING.—Tasmania should be the Belgium of the Commonwealth—the workshop of the Commonwealth. I am not depreciating in any way the advantage to Tasmania of the tourist traffic which has grown up there.

Senator O'KEEFE.—Chiefly in one portion of the State.

Senator KEATING.—I am not depreciating its advantage and importance to Tasmania, but I do not think it right that people should imagine that the Tasmanian people look forward to that State becoming the play-ground of the Commonwealth as its entire destiny. Tasmania has immense natural resources. Its agricultural resources, though not so extensive as those of the larger States, are still very rich, and its mineral resources are almost unbounded.

Senator WALKER.—There is timber also.

Senator KEATING.—There is timber also, and Tasmania has, I believe, greater facilities than has any of the other States for the establishment of manufactures. In connexion with the tourist traffic, to which Senator Dobson has referred, in the event of the Navigation Bill being passed with a provision that all Inter-State shipping, wherever it is owned, shall conform to the same conditions, the position will simply be that the ocean liners at present calling at Hobart for the purpose of taking home shipments of apples, and leaving Hobart for Melbourne, and then for Europe, *via* Western Australia, will have to conform to the conditions with regard to the rate of wages, and the accommodation for seamen that will be made applicable to Australian owned Inter-State shipping. It seems to me that Senator Dobson's argument is that, under these circumstances, these ocean liners would discontinue the carrying trade between Tasmania and other States of the Commonwealth. I should like to know, from the honorable and learned senator, how much trade of that character they carry at the present time. In the way of freight, I think, they carry very little indeed. In the matter of passengers, there is perhaps a growing traffic. But, as a matter of fact, the particular passenger traffic that is conducted between Tasmania and the mainland States by the ocean mail boats, is limited to a certain class, and to a certain period of the year. I believe the fares charged are higher than those charged by the Union S.S. Company, which is the largest shipping company controlling communication between Tasmania and the other States.

Senator PEARCE.—Then they do not undercut fares?

Senator KEATING.—They do not. I think they charge something considerably above the passenger rates of the Union S.S. Company. I do not know that the accommodation provided is in many

respects superior to that provided by the Union Company, on some of their boats. Those who use the big mail boats in travelling from Tasmania to Victoria, or round to Adelaide, are quite content to pay something over and above what they would be charged by the Union Company, and they are agreeable to pay the higher rates for "tone."

Senator PEARCE.—The honorable senator is not referring to the *Pateena* and the *Coogee*.

Senator KEATING.—No, I was speaking of the boats trading between Melbourne and New Zealand, which call at Hobart. These are the boats of the Union Company which mainly enter into competition with the English mail boats. These Union Company boats are supplied with every convenience, and their accommodation is quite equal to anything that could be expected. I think there is no objection to them, and if an extra fare is paid for a passage by the mail boats it is paid for the "tone." Senator Pearce referred to the question of finance. The honorable senator has pointed out a method by which, in the adjustment of the financial relations of the States with the Commonwealth, provision might be made for the imposition of an uniform land value tax throughout Australia. He has referred to the advantages which would accrue from the adoption of such a course. I have not had an opportunity of seeing and considering the report of the honorable senator's remarks, and I am not in a position to-night to enter upon a detailed criticism of them. It did, however, seem to me, while the honorable senator was speaking, that it was to be understood from his remarks that there was no desire on his part to see the bookkeeping sections of the Constitution altered at the end of the five years.

Senator PEARCE.—I desire to extend their operation.

Senator KEATING.—I wish to say that if that is the attitude which is to be taken up by all the representatives of Western Australia, in the interest of the people generally, it is very much to be regretted. When we entered into Federation under the Constitution, we frequently heard the statement made that for the first few years, at any rate, the Federation into which we were entering would be an imperfect Federation. It was said that until we had a common purse, into which would be put

the whole of the revenues derivable from Federal sources, and from which would be taken all expenditure necessary for Federal purposes, we should not have a Federation in the true sense of the word. We were told that these provisions with regard to bookkeeping, crediting and debiting each State with revenue received and money expended, and all the provisions differentiating between new and transferred expenditure, were to characterize the working of the Constitution only in its initial stages. The people of the States believed, when they voted for Federation, that these provisions were intended to operate only for a few years, to serve as a guide to those who controlled the destinies of the Commonwealth in arriving at some more equitable and more Federal adjustment as early as possible.

Senator PEARCE.—Was it not, also, with a view to allowing conditions to become somewhat equalized?

Senator KEATING.—And of course with the object of allowing alterations made in the systems previously in force to work harmoniously, that we might see their effects. I allude particularly to the operation of the Tariff, for instance. Coming as we did into a union of six States having different Tariffs, but asked at an early date to adopt one Tariff applying uniformly throughout the States, but only as against over-sea countries, and with the establishment in each State of the new condition of Inter-State free-trade, we had to face new circumstances, to which it was quite right we should attach temporary arrangements such as the bookkeeping sections of the Constitution. But I think that the sooner we can dispense with those sections in order to establish something of a more Federal character, the better for the people and for the States.

Senator PEARCE.—The Commonwealth collects from Western Australia £7 per head, and hands back £4 per head.

Senator STANFORTH SMITH.—That is the Federal idea?

Senator KEATING.—Undoubtedly it is the Federal idea.

Senator PEARCE.—The Commonwealth collects from Tasmania only about £2 10s. or £2 12s. per head.

Senator HENDERSON.—That is the Federal idea also.

Senator PEARCE.—And the excess revenue derived from Western Australia is distributed amongst the other States.

Senator KEATING.—Will the honorable senator tell me of one instance of a Federal form of government in operation, other than that in Australia, where there is not a common purse?

Senator PEARCE.—The conditions between the States are more equal in other Federations.

Senator KEATING.—I should like here to say that it must certainly be a matter of gratification to many to have noticed that, since the meeting of Parliament, more than one member of another branch of the Legislature has confessed that, since the publication of the reports in connexion with the *Petiana* incident, sufficient has been learned to create a very different opinion of the conduct of the Government from that entertained when people were dependent entirely for their information upon the press. I was present at a sitting of the House of Representatives when an honorable member, who is a staunch Oppositionist, admitted that he preferred to take the account given by the Prime Minister rather than that for which he believed the captain of the vessel to be responsible, and I notice that a similar reference has been made by another member of that Chamber. To return to the subject with which I was more recently dealing, it appears to me that two of the honorable senators from Western Australia seem to suggest, from their interjections, that what I have said with regard to the alteration of the bookkeeping provisions of the Constitution is not altogether federal. I ask those honorable senators, and others who share their opinions, whether they can give one concrete instance of a community under a Federal form of government which has not a common Federal purse, into which goes all the revenue derived from Federal sources, and out of which comes all the expenditure necessary for the maintenance of Federal institutions. Senator Pearce replies that those extraordinary provisions, if I may so call them, were placed in the Constitution owing to the exceptional circumstances in Australia, and with the object of providing a means of watching the operation of Federal conditions during its early years. Nobody, I think, can dispute that view; but still, to have a common purse is a much more Federal attitude than is exhibited by those who desire to prolong the operation of these bookkeeping sections. Senators Pearce and Henderson have interjected that Western

Australia is contributing something like £7 per head to the Customs revenue, while Tasmania contributes only between £2 and £3.

Senator PEARCE.—That is owing to the large adult population in Western Australia.

Senator KEATING.—It is through the operation of the Tariff, and owing to the fact that Western Australia has a large adult population, which consumes dutiable articles to a greater extent per head than perhaps is the case in other States. Still there is the difference in the contribution that I have indicated, and it is suggested that if we had a common purse Tasmania would benefit at the expense of Western Australia. Do honorable senators who hold that view take up the position that while Western Australia obtains any benefit they intend to be thoroughly and truly Federal, but so far as sharing any of the burdens of Federation are concerned, they intend to be distinctly provincial?

Senator PEARCE.—Certainly not.

Senator KEATING.—If honorable senators do not intend to maintain that attitude they will view the continuance of the operation of the bookkeeping provisions very differently from the way in which they now seem to view them.

Senator PEARCE.—One-fourth of £7 is greater than one-fourth of £2 12s., so that Western Australia contributes to Federation more per head than does Tasmania.

Senator KEATING.—Western Australia does nothing of the kind. Under the operation of the bookkeeping provisions the expense debited to Western Australia is expense incurred in that State.

Senator PEARCE.—Omitting new expenditure.

Senator KEATING.—Omitting new expenditure, which is shared throughout the various States in proportion to population, so that the same amount per head is contributed in Western Australia towards new expenditure as in Tasmania. Nobody doubts that one-fourth of £7 is greater than one-fourth of £2 12s.; but that fact has no relevance to my argument.

Senator PEARCE.—That is the amount of the contribution.

Senator KEATING.—I wish to impress on Senator Pearce that, so far as new expenditure is concerned, the people of the Commonwealth contribute equally per head in whatever State they may be.

Senator PEARCE.—My point is that the Commonwealth Government have power to expend the whole one-fourth of the Customs receipts.

Senator KEATING.—But as a fact the Government are not doing so.

Senator PEARCE.—But they have the power.

Senator KEATING.—It is not a question of what the Government have the power to do.

Senator PEARCE.—It is a question of what the Constitution provides.

Senator KEATING.—Senator Pearce himself, in the course of his interesting remarks last night, said that the Commonwealth Government were returning a surplus over and above the three-fourths of the Customs revenue which, under the Constitution, they are bound to return. The transferred expenditure incurred in Western Australia may be greater per head than elsewhere; but that is expenditure which the Commonwealth Government is bound to keep up in consequence of the transfer of the Departments.

Senator PEARCE.—I am not disputing that.

Senator KEATING.—Western Australia is getting the full benefit of that transferred expenditure; but as to new expenditure, the honorable member cannot surely contend that the *per capita* distribution varies.

Senator PEARCE.—What I say is that the Commonwealth Government have the right to expend the whole one-fourth, and that, if they did so, Western Australia would contribute in a greater proportion than Tasmania.

Senator KEATING.—And that excess could only be used in Western Australia as transferred expenditure. I am not discussing contingencies, but what has actually taken place, and is taking place; and I contend that the sooner we have a common purse, the sooner we shall be properly federated. Honorable senators from Western Australia lose no opportunity of advocating the construction of a transcontinental railway, and they wish its construction to be regarded as Federal work. But if the cost of that railway was borne by the whole community, New South Wales and Victoria would, as Federal expenditure, each contribute a great deal more than Western Australia, and Tasmania would contribute almost as much as Western Australia.

Senator PEARCE.—It is a national railway. The revenue raised in Western Australia is purely Western Australian, while the railway is an inter-State work.

Senator KEATING.—The railway between New South Wales and Victoria, and also that between Queensland and New

South Wales, are inter-State railways, the revenues from which are received by the respective States affected.

Senator PEARCE.—They are not Federal railways.

Senator KEATING.—We are now asked to connect the railway systems of Western Australia and South Australia, and honorable senators from the former State wish the expense to be borne by the whole of the people. Under such circumstances the cost would not be shared by the States in proportion to benefits received, but in proportion to their population, and Tasmania, which is almost as populous as Western Australia, would bear just as much as the latter State, while New South Wales and Victoria, between them, would bear by far the larger proportion. In regard to the railway those honorable senators wish to stand on Federal ground, but the moment we point out to them that by the reason of the accidental circumstance of their having a large adult population, which consumes per head more dutiable goods than the population of the other States, Western Australia receives a larger revenue than perhaps is wanted, and when we ask for a common purse, they say, "No; the money belongs entirely to Western Australia." Let us take another instance afforded in the case of the northern State of Queensland. During last session we passed what is known as the Sugar Bounties Bill, under which bounties are paid to persons who grow sugar grown by white labour. If the people of Tasmania took up a distinctly provincial attitude, they would ask how such legislation affected their State, seeing that they are troubled with no influx of coloured labour.

Senator PEARCE.—Some senators from Tasmania did take up that attitude.

Senator O'KEEFE.—That was the view of some of the Tasmanian electors.

Senator KEATING.—I did not take up that attitude, and I am sure that Senator O'Keefe did not, and the fact remains that Tasmania does contribute to the sugar bounties.

Senator STANFORTH SMITH.—And so does Western Australia.

Senator KEATING.—Quite so; and Tasmania, in contributing, is playing the Federal part. But the moment we point out that Tasmania entered the Federation believing that the bookkeeping provisions were to be only temporary, and that there was to be a common purse, we are most emphatically told by the representatives of

Western Australia that that must not be so, because that State, owing to its peculiar circumstances, is getting the benefit of the Customs Tariff to a much larger extent than any of the other States, so far as revenue is concerned. In addition, Western Australia has the advantage of having had in operation for nearly three years a special Tariff, under a sliding scale, against importations from the other States.

Senator PEARCE.—A very doubtful advantage.

Senator KEATING.—That may be ; but the sliding scale special Tariff is there, and the people of Western Australia must recognise that it is an advantage.

Senator PULSFORD.—That is not fair criticism ; Western Australia could not have joined the Commonwealth without that provision.

Senator KEATING.—I am not questioning for a moment whether or not the provision is a proper one, but simply saying that it exists.

Senator MULCAHY.—It is exceptional treatment.

Senator KEATING.—It is exceptional treatment, and that it is an advantage is shown by the fact that, although the Western Australian Parliament has power to dispense with the sliding scale special Tariff, that power has never been exercised. The Federal Parliament has no power to interfere in the matter ; but the State Parliament, though it may, if it likes, remove the special Tariff, has never, whether they regard it as an advantage or not, thought fit to do so.

Senator PEARCE.—The Western Australian Parliament represented a minority until about a couple of years ago.

Senator KEATING.—I am concerned only with the single circumstance that Western Australia has this special Tariff in its favour. Representatives of Western Australia insist almost unanimously that the transcontinental railway shall be a Federal undertaking, and their attitude towards the bookkeeping provisions suggest a disposition on the part of the western State to say —“We are Federal when there is an advantage, but when there is any expense or burden to be borne we are distinctly provincial.”

Senator STANFORTH SMITH.—The honorable senator wants to rob Western Australia to the extent of £600,000 a year.

Senator KEATING.—There is no desire to do anything in the way of robbery. The honorable senator has lived long enough in Western Australia to know that he could

cut up that State into several areas, and find that the contributions to the revenue through the medium of customs duties in those areas is very dissimilar. He would find that in some parts of the State, three times as much per head is contributed through the Custom-house as in other parts. We talk about Australia being one fiscal area. We say that there are no lines dividing the States, that there is only one Tariff not operating between the States, but only against imports coming into the Commonwealth. But what is all this talk about Australia being one fiscal area, if the revenue which is returned by the imposition of fiscal duties is for ever to be allocated in accordance with the contributions of different parts of that one area? Western Australia is one territorial area for the purposes of its State Government, but it may be divided up into several distinct areas contributing per head of the population through the Custom-house differing amounts. No one from that State would pretend for a moment that each particular locality is to have the whole benefit of the revenue which it contributes. We have to look upon Australia fiscally exactly in the same way as Western Australia looks upon itself for State purposes —as a whole.

Senator PEARCE.—I undertake to say that every one of the areas contributes more per head than does Tasmania.

Senator KEATING.—I am not concerned with the question of whether the amount is more or less in that connection ; I contend that they contribute unequally.

Senator STANFORTH SMITH.—How does the honorable and learned senator know?

Senator KEATING.—I assume that they do. Will the honorable senator deny that they do?

Senator STANFORTH SMITH.—Yes.

Senator KEATING.—The honorable senator is prepared, I think, to deny almost anything. When he is forced back into the position that he is prepared to deny in the case of Western Australia what is and has been the experience of every country in the world, then I think that he is gruelled for lack of argument.

Senator STANFORTH SMITH.—The whole argument of the honorable and learned senator is that the Eastern States should dip their hands into the pockets of Western Australia.

Senator KEATING.—The honorable senator can make use of a cheap phrase of that kind if he chooses,

but my attitude is nothing of the kind. I distinctly point out to him that, despite the provision for a sliding scale in the Constitution, the six States in the Commonwealth are to be treated as one area when we deal with matters fiscal. When we put on a uniform Tariff to operate not in respect of any interchange of products between the States, but only against imports coming into the Commonwealth; when we have that Tariff operating uniformly over one fiscal area we should treat the people in that fiscal area as the inhabitants of one area. If we do that, we shall have one common purse for the reception of the revenue derived from the uniform Tariff. We shall have in that common purse one means of expenditure for all Federal purposes, for which purposes I submit that the people of the six States are one people and not six peoples. I submit that those who oppose the alteration of the bookkeeping provisions are really trying to arrest the proper development of the Federal ideal.

Senator STANFORTH SMITH.—Robbery!

Senator KEATING.—That may sound very well to the ears of the people in Western Australia.

Senator STANFORTH SMITH.—It is an attempt at robbery.

Senator KEATING.—From an honorable senator who represents a State which would not come into the Federation unless it had the right for five years to tax the products coming to it from other States, a charge of robbery comes with very bad grace.

Senator TRENWITH.—May we not postpone this discussion for seven years?

Senator KEATING.—As the opening speech indicates that the Treasurer intends to do what is possible to adjust the financial relations of the States, I venture to suggest it affords a good opportunity to establish a proper permanent Federal system of finance in place of a temporary provision.

Senator TRENWITH.—We cannot do that without an alteration of the Constitution.

Senator KEATING.—We can. The provision is to operate for a certain time, and then to continue, unless the Parliament otherwise provides. I think that the Federal authorities might well consider the advisableness of substituting a more Federal system for that which exists. There are two matters that more particularly affect the State I represent which I would like to deal with. In the first place, I refer to the means of communication between Tasmania and the other States. It was pointed

out here, more than once in the previous Parliament, that in our State we are considerably handicapped, owing to the fact that, on all telegraphic communication with the Commonwealth, we have to pay toll to the Eastern Extension Telegraph Company. Our telegraphic system is connected with the telegraphic systems on the mainland by a cable which is operated by a foreign company—that is, foreign in the sense that it is not the same operating body as works the telegraph systems throughout the States of the Commonwealth. Negotiations have taken place between the Government and the company in connexion with the acquisition of that cable. I do not know if an opinion has been taken by the Federal authorities as to whether the cost of purchasing the cable is to be treated as new or as transferred expenditure.

Senator PEARCE.—As new expenditure, of course.

Senator KEATING.—I do not know. I did not commit myself on that point in the question which I asked to-day. I am not discussing the matter from the legal point of view; but I do entertain the opinion that it should be treated as new expenditure, for the simple reason that it connects the telegraphic systems owned by the Commonwealth on the mainland and the telegraphic system owned by the Commonwealth in Tasmania.

Senator PEARCE.—Surely that proves it to be a transferred service.

Senator KEATING.—It is not in the territory of Tasmania or of Victoria; it is not in the territory of any particular State.

Senator PEARCE.—For a distance of three miles it is.

Senator KEATING.—I think that Tasmania, and I believe Victoria, would each be quite prepared to pay the cost of maintaining the cable for that distance. This link has been in existence for over thirty years, and it connects the telegraphic systems of the Commonwealth. The difficulty in connexion with Tasmania is that, in addition to whatever the Commonwealth charge may be for the despatch of a message, we have to pay to the Eastern Extension Telegraph Company the sum of one halfpenny per word. That amounts to a great deal in the business of a merchant, or of any one who has occasion to do much telegraphing. In Victoria a person can telegraph through three States, some thousands of miles, at the rate of 1s. for sixteen words, including the address and signature. But in Tasmania we

cannot send a message to Victoria, a distance of some 200 miles, without paying that rate and an additional halfpenny per word. That is an anomaly which I think was never intended to remain in existence when the Federal authorities assumed control of the telegraphic systems of the State, and whatever may be the legal opinion on the question as to whether it is new or transferred expenditure, I hope that the authorities will see their way at the earliest possible date to do away with the anomaly, so that the people of Tasmania may participate to the fullest extent in the advantages of the federalization of the telegraphic systems. Another matter to which I would like to direct the attention of Ministers has been referred to in the daily press quite recently. It is in connexion with what occurred at Hobart during the visit of the General Officer Commanding the Military Forces, accompanied by the Minister for Defence and the Secretary to the Department. On that occasion a parade was called for, and quite a large number of the men did not present themselves. The General Officer Commanding made some scathing remarks to those who did attend, with reference to the conduct of the absentees. An inquiry has since been held, and if the accounts in the press this morning are correct the Board of Inquiry has reported adversely upon the conduct of the men, and it is suggested that some exemplary punishment should be meted out to the absentees. I would point out to the Ministers that this is not a new trouble. When the Attorney-General held the portfolio of Minister for Defence it was brought under his notice in the Senate on more than one occasion. When an ex-senator moved the adjournment of the Senate, to consider the treatment of the Tasmanian forces, the Minister promised that provision would be made for camp pay to those forces; but the ex-senator, inadvertently I think, omitted to refer to the general treatment of the forces, which was the cause of a great deal of their grievances. They felt that they had not been treated as they were entitled to be treated. According to the Defence Acts of the State they were militia. In order to meet the retrenchment which was introduced into the State some years ago, they were quite content for a year or two to forego their pay; but they were still liable under the Acts under which they were enlisted to be called out for daylight parades, and to be in other respects treated as militia. Legally, they were militia; actually, they took the position of

volunteers. They consented to take the position of volunteers so far as the question of pay was concerned, while the State was being tided over its financial difficulties. As Federation approached, they were told that there would be no alteration made with regard to their payment until they were taken over by the Commonwealth, when they would find that all their grievances would be redressed.

Senator MCGREGOR.—Who told them that?

Senator KEATING.—The officers kept the men together by telling them that they would be legally entitled, as I believe they undoubtedly are, to pay, and that the State was not granting the pay because it had to tide over a financial difficulty; and that in consideration of that fact it had ceased to exercise its power of calling them out as militia. They were asked to wait patiently until they were taken over by the Commonwealth, when they would certainly be treated similarly to the forces in the other States. They were taken over by the Commonwealth, and from that moment they were treated as volunteers. It was pointed out to the Federal Government time after time that these men had legally the status of militia, and were entitled to pay. The men and officers found that those who occupied corresponding positions in the mainland forces were receiving pay. But nothing was done by the Federal authorities to treat them as militia. Eventually a more determined representation was made, and the Government were asked why the men were treated differently. In a minute that was published by the then Minister for Defence, Sir John Forrest, it was stated that the Tasmanian forces were not receiving pay, owing to the strong representations of the State Government. I myself asked a question in the Senate as to whether such representations were made by the State Government. The answer was "Yes," but when a search was made it was found that no specific representations had been made.

Senator DRAKE.—I said that there had been no specific request.

Senator KEATING.—But I asked the question upon notice as to whether representations had been made by the States Governments, and if so, whether there was any objection to producing those representations; but it was found that no representations of a specific character had been made.

Senator DRAKE.—That was after the debate on Colonel Cameron's motion, but

no Minister in the Senate said that there had been specific representations.

Senator KEATING.—No; I am referring to Sir John Forrest's minute. As a matter of fact, it was found that all that had occurred was that a suggestion had been made to the Federal authorities by the Queensland and Tasmanian Governments that they should be careful about their transferred expenditure. Provision was made for pay to these men when they went into camp, but still no provision was made for their ordinary pay. They were not paid when they were brought out on daylight parades. Many of the men have to leave their own work and put others on to take their places when they went out on daylight parades. They were asked to continue as they were doing for years past, rendering gratuitous service to the State at their own expense. The Minister, Major-General Hutton, and the Secretary for Defence went over to Tasmania, and the men were asked to turn out on parade on a Saturday afternoon. They considered that they had exhausted every possible means of bringing their grievances before the authorities. They did not turn up to that parade. If they were volunteers, I take it that they were not bound to attend. If they were militia and were bound to attend they committed a blunder. But the whole argument of the Commonwealth authorities has been that they were volunteers. When they did not attend parade an inquiry was held, and they were condemned for their action. It has been represented in the case against the men, and I think Major-General Hutton made reference to it in Tasmania, that they had proper means of communicating their grievances to the authorities. Undoubtedly they had. They could communicate their grievances through their commanding officer, but unmistakably they were sick and tired of doing that. They knew, moreover, that their grievances had been ventilated time and again in the Senate on Supply Bills. Yet there was no redress, and there seemed to be no disposition on the part of the Federal authorities to attempt to alleviate their grievances. Under the circumstances, I ask Ministers to look with some leniency upon the action that was taken by these men. Is there any necessity for vindictiveness? Is there any necessity to carry out the suggestion made in one of the daily newspapers that they should be disbanded? They are men who have given

time and money to the service of the State. They have taken their training year by year, in daylight and at night time. Is it proper that they should be treated in this way when they take a course, which, however wrong it may be, seemed to them, after nearly two years of persistent agitation, to be the only one which would bring home to the authorities a sense of the grievances that they entertained? The Minister for Defence, at any rate, should be asked by his colleagues in the Senate to give consideration to the fact that repeatedly this subject has been discussed, and that nothing has been done to meet what was the obvious wish of those who were interested in the Defence Forces of that part of the Commonwealth. I should like to deal with some of the remarks which have been made by Senator Dobson. More than once he has twitted Ministers with being in alliance with the Labour Party. The evidence he brings forward is the statement made by Senator de Largie that in Western Australia the Labour Party captured seven out of eight seats, and might have captured another one had they run a candidate against Sir John Forrest; and that if Sir John Forrest did not mend his ways before the next election the Labour Party might bring out a candidate and take his seat from him. From Senator de Largie's remark, Senator Dobson deduces the conclusion that there is an alliance or understanding between Mr. Deakin and Mr. Watson. The honorable and learned senator has, I think, got the question of an alliance between the Government and the Labour Party "on the brain," as the phrase goes. It has been the fashion in the conservative press, and on the part of members of Parliament opposed to the Government, to hold up the Ministry as being dictated to and driven by the Labour Party. We are told in the press organs of the Opposition, that it is a question of saying "Yes" or "No" to Mr. Watson, and that that is what Commonwealth administration and legislation has come to. Senator Dobson has defended at great length the P. and O. Steamship Company—a company concerning which it has been stated, that when its name comes up in the House of Commons it is almost impossible to obtain an explicit reply, because the company exercises so much influence there. During the course of this very debate, Senator Dobson has strenuously combatted the legislation of the Commonwealth which provides that subsidies shall not be granted

to mail ships that employ other than white labour. He thinks that there is something alarming in that circumstance, and believes that if the Commonwealth authorities are compelled to resort to a system of poundage rates, they will be paying poundage rates to vessels that employ "blackies." But we shall have the satisfaction of knowing at any rate that we are paying to ship-owners who employ "blackies" no more than the Postal Union rates, and are not giving them any subsidies. It is quite a different thing to pay a subsidy, and to pay the amount fixed by the Postal Union for services rendered. Now, Senator Dobson has occupied a high and distinguished position in Tasmania, and has discharged the responsibilities attached to the office he has held with great credit to himself. He was in office as Premier from the 27th of August, 1892, to the 11th of April, 1894. On the 5th, 6th, 7th, and 8th, of March, 1894, a Postal and Telegraphic Conference was held at Wellington, in New Zealand; and on the 19th of March the Conference was held at Auckland. At that time Senator Dobson was Premier of Tasmania. Tasmania was represented at that Conference. It is true that no one was sent over from Tasmania to the Conference. The State was in a period of drastic retrenchment at the time. But the official report of the Conference on the 6th of March, under the heading of "Representation of Tasmania," contains the entry—

The Honorable Mr. Ward (New Zealand) laid upon the table a telegram from the Premier of Tasmania, authorizing him to represent Tasmania at this present Conference.

The Conference passed without a division, but after discussion, this proviso—

The Honorable Dr. Cockburn (South Australia), seconded by the Honorable Mr. Wilson (Queensland), moved, and the question was proposed, that the following new sub-section be added to paragraph 2, to stand as sub-section (j).

(j) Tenderers to state what class of labour they intend to employ in their vessels, and that a recommendation be made to the Imperial authorities that mail steamers should be manned by white crews.

That representation, which was agreed to without a division, went to the Imperial authorities in England. No note of dissent was sounded from Australia. The Imperial authorities pointed out that they could not conform to the request. In 1895 another Conference of the Post and Telegraph authorities of the different States—or Colonies, as they were then—was held. The same principle was then affirmed by a reso-

lution in still stronger terms. The representation was sent to England.

Senator DAWSON.—Was that Mr. Joseph Cook's motion?

Senator KEATING.—Yes. In November, 1895, I think it was, the reply came from the London Post Office that the Imperial authorities could not see their way to adopt the suggestion. In 1896, in Sydney, the resolution was again confirmed and strengthened. Not one single organ of public opinion in the Commonwealth then said a word about the Labour Party. There was a united expression of opinion on behalf of the seven Colonies at Wellington, at Hobart, and at Sydney. Thrice was that expression of opinion made to the Imperial authorities. Not a single organ of the press in the Commonwealth then stated that it was passed at the dictation of the Labour Party.

Senator PEARCE.—Was Senator Dobson a member of the Tasmanian Legislative Assembly at that time?

Senator KEATING.—He was; and neither he nor anyone else said that what was done was done at the dictation of the Labour Party. If honorable senators will look to the personnel of these different Conferences, they will see the reason why no such suggestion was made. I do not think there was at any of these Conferences any member who would have been regarded as a member of the Labour Party in any of the States, unless, perhaps, Mr. Joseph Cook.

Senator PEARCE.—No; Mr. Cook had left the Labour Party then.

Senator KEATING.—Mr. Cook had left the Labour Party then. But immediately the Commonwealth Government having the power, which the different States, divided before, had not, to carry this principle into effect, proposed to carry into effect what had been affirmed and re-affirmed as the desire of the people of the seven Colonies, it was said that they were doing so at the dictation of the Labour Party. I think that some reference in the circumstances might be made to what is taking place in the Imperial Parliament in regard to this matter. I remember that in speaking on this subject on a previous occasion, Senator Pearce submitted to the Senate quotations from speeches made in the House of Commons, in which it was shown that honorable gentlemen of standing and repute in that House deplored the growing tendency on the part of British ship-owners to employ coloured instead of

white labour, and urged the necessity for legislation to restrain what they considered a tendency calculated to impair the efficiency of the mercantile marine of Great Britain.

Senator DAWSON.—The honorable and learned senator is trying to rob the Labour Party of any credit for the White Ocean policy.

Senator KEATING.—The Labour Party do not enjoy a monopoly of credit for that policy. They must admit, when they consider what was done at the several Post and Telegraph Conferences held in New Zealand, Tasmania, and New South Wales, that they are only re-affirming as a party what other people in the Commonwealth gave expression to before the existence of the Federal Labour Party. Senator Dawson suggested that Mr. Deakin had been using sweet and soothing sentences in his attempt to delude the electors, and to delude this Parliament. The honorable senator, in common with others, has stated that, in his opinion, a policy of "Fiscal Peace and Preferential Trade" is a contradiction in terms.

Senator PULSFORD.—So it is, absolutely.

Senator KEATING.—I find that Senator Dawson is not the only honorable senator holding that opinion. I can understand Senator Pulsford entertaining many theories which do not accord with practice. I have heard the honorable senator most eloquently discourse upon theories which will not stand the test of practical experience. I can quite understand that anything of a fiscal character, emanating from a Government led by Mr. Deakin, will not meet with his approval. On principle, he must be against it. But, so far as practical experience of preferential trade is concerned, fiscal peace and preferential trade are not incompatible.

Senator PEARCE.—They do not seem to go hand in hand in Great Britain.

Senator KEATING.—Great Britain has not of late years established any system of preferential trade with any country in the world. Great Britain had a system of preferential trade many years ago, and established that system with its Colonies and plantations without any fiscal war arising in consequence.

Senator PEARCE.—The Colonies were never consulted.

Senator KEATING.—No, it was Great Britain that was consulted. She adopted preferential trade in favour of her own Colonies and plantations, unattended by fiscal war.

Senator PULSFORD.—That was for the benefit of British capitalists, who were working slave labour in the sugar trade.

Senator KEATING.—That is the very kind of labour the honorable senator desires to see introduced into the Commonwealth, and I, therefore, am unable to see why he should make that a charge against the British people. My point is that Great Britain established a preferential tariff in favour of her own Colonies and plantations without a fiscal war as the result. I directed the attention of honorable senators to the fact that within the last few months we have had in New Zealand a tariff altered to a preferential tariff. We have provision made in New Zealand for the imposition of a surcharge on goods coming into that Colony from countries other than the United Kingdom, over and above the ordinary duties imposed. That was the establishment of preferential trade, and what fiscal war occurred when that proposal went through the New Zealand Parliament?

Senator GIVENS.—The Opposition in New Zealand were not strong enough to fight.

Senator KEATING.—I am saying that preferential trade was established there without any fiscal war.

Senator PEARCE.—Can we do the same thing in Australia?

Senator KEATING.—After the Conference held in London in 1897, Sir Wilfrid Laurier introduced in the Canadian Parliament a Bill making a rebate of 25 per cent. upon duties in favour of goods coming into Canada from Great Britain. There preferential trade was established in a way directly opposite to the way in which it was established by New Zealand. It was established in Canada by lowering instead of raising duties—by lowering duties in favour of British commodities—and there was no fiscal war.

Senator GIVENS.—Did that not cause a fiscal war with Germany?

Senator KEATING.—Later on the rebate of duties in favour of British goods coming into Canada was increased from 25 per cent. to 33½ per cent.—a further instalment of preferential trade—and there was no fiscal war in Canada as the result.

Senator GIVENS.—There was a fiscal war with Germany on account of it.

Senator KEATING.—I am not talking of that. I am talking of the ripping up of the tariff of the country giving the preference, and that I take it is what is meant by a fiscal war in this connexion. I take it

that when the Opposition speak of preferential trade bringing about fiscal war, rather than fiscal peace, what is meant is that it will involve a review of our own Tariff and a reiteration of the arguments for and against each item in the Tariff.

Senator DAWSON.—If we change the whole basis of fiscal taxation that cannot be called fiscal peace.

Senator KEATING.—If that is all the honorable senator means when he speaks of fiscal peace being incompatible with preferential trade, I may be disposed to agree with him.

Senator DAWSON.—That is what I mean. It is a contradiction in terms.

Senator PULSFORD.—Can Senator Keating tell us what has become of the Papua Preference Bill?

Senator KEATING.—I imagine that Senator Pulsford is more intimate with that measure than any other member of the Senate. I point out to honorable senators that there is another instance of the establishment of preferential trade relations, in the near past, that did not involve any fiscal war. I allude to the case of the United States and Cuba. Since the American-Spanish war and the annexation of Cuba by the United States, preferential trade relations have been established with Cuba, and the United States Tariff operating against the rest of the world, operates differentially against Cuba.

Senator PEARCE.—There was a fiscal fight in the United States Senate over that.

Senator KEATING.—Was the whole of the United States Tariff re-opened?

Senator PEARCE.—There was a fiscal fight.

Senator KEATING.—There was a fight over the question whether there should be a preference given to Cuba or not, but not a fiscal fight, involving a reconsideration of the various duties fixed by the United States Tariff. I take it that the electors throughout the Commonwealth understand that fiscal peace or fiscal war turns on the question of whether the Tariff, as a Tariff against other countries, except in so far as applies to those whom we desire to give a preference, should remain intact. The question of whether the United States should give a preference to Cuba did not involve the consideration of the duties imposed by the United States against outside countries. When the Prime Minister spoke of fiscal peace and preferential trade, I venture to

think that most of the electors of the Commonwealth understood that what was meant by fiscal peace was that the Tariff as against other than those for whom we established a preference would remain practically as it was. In these circumstances it is idle for honorable senators to say that there is anything incompatible between fiscal peace and preferential trade. In four instances within the last ten years we have seen the adoption of preferential trade relations, and in connexion with not one has there been a fiscal war of the character contemplated by the Prime Minister's reference to fiscal peace in this connexion.

Senator DAWSON.—What about fiscal peace on the question of the bonus for the iron industry?

Senator GRAY.—Can the honorable and learned senator answer for the Government that they will not raise duties against the foreigner?

Senator KEATING.—I cannot answer for the Government upon any matter.

Senator GRAY.—The honorable and learned senator is arguing, on behalf of the Government, that they will not.

Senator KEATING.—I have argued nothing of the kind. I have pointed out that New Zealand has adopted a system of preferential trade by raising duties against foreigners, and allowing their Tariff to remain as it is against British goods. I have pointed out that that did not result in any fiscal war, and the Bill to give it effect went through the House of Representatives and the Legislative Council of New Zealand in about a week.

Senator GRAY.—It does not follow that the same thing will happen here.

Senator DRAKE.—I hope it will.

Senator KEATING.—I am arguing that fiscal peace and preferential trade are not incompatible, and when I instance the case of New Zealand, Senator Gray falls back upon the statement that the New Zealand instance does not prove that the same result will follow here. I have shown that Canada, following the reverse of the process adopted in New Zealand, reduced duties upon British goods, and thus adopted preferential trade, and without any fiscal war. I have pointed out also that the United States adopted a system of preferential trade with Cuba, which did not involve a fiscal war. My arguments have been directed to combat the assertion that preferential trade and fiscal peace are incompatible, and I have given concrete instances to show that they are not incompatible. I

have now touched upon all the matters that I intended to refer to, and in conclusion I can only echo the sentiments expressed in the concluding words of the Governor-General's Speech that the work of the session may be productive, as I believe the work of previous sessions of the Federal Parliament has been, of the greatest benefit to the people of Australia.

Senator STEWART (Queensland).—The speech of His Excellency the Governor-General has been discussed at such great length that I am doubtful whether anything new or specially informing in connexion with it remains to be said. I am told, however, that the Government have no business to go on with ; that the Senate has been summoned merely as a matter of form, and will shortly adjourn for two or three weeks, and that being the case, I do not see why we should not discuss some of the very important matters referred to in the Governor-General's speech at greater length. Several questions of vast importance to the Commonwealth are referred to in the speech. One is the taking over of States debts by the Commonwealth. Then we have preferential trade, immigration, and the birth-rate, assistance to agriculture, conciliation and arbitration, and old-age pensions. In fact, the Government seem to have run through the whole gamut of reform. One thing I particularly notice in connexion with the speech is, that while the Government point out several matters which urgently require to be dealt with, they very carefully refrain from setting out what their policy is. The Government seem to be following the example of that illustrious individual of whom we have all read, and whose name is Micawber—they are waiting "for something to turn up," not having the courage, capacity, or originality to "turn up" anything for themselves; and the Opposition is not one whit better. There are three parties in the Chamber, one of which is anxious to retain, while the other is anxious to gain, office; and that is everything that can be said of them. The third party—the one to which I belong—are not anxious to obtain office, but only to promote the welfare of the Commonwealth. We have a clear-cut, definite policy, which we are not afraid to promulgate, and which, if we had a majority in Parliament, we should be prepared to carry into effect. We have the Government and the Opposition glaring at each other across the chamber. The Opposition grudge the "flesh-pots of Egypt" to the Government, while the latter

eagerly grasp at office, hanging on to its skirts by every means, and willing even to make alliance with that devil of politics, the Labour Party, if by doing so they can maintain their positions. Just look at the attitude of the Government with regard to the population question. I have read the speech which the Prime Minister made at the meeting of the States Treasurers, but what better am I for that? I did not get a single idea from the honorable gentleman's utterances. The Prime Minister has, no doubt, put his finger on a very sore spot, but he is like a medical man who examines your tongue and feels your pulse, but confesses himself unable to prescribe.

Senator WALKER.—Doctors generally claim to know something.

Senator STEWART.—The head of the Government is honest, at any rate, when he confesses his incapacity to name a remedy. Now the Labour Party is prepared with a remedy for this lack of population. What lies at the root of the trouble? Why is Australia stagnating in the matter of population? Our young men do not marry, simply because they cannot afford to do so; and I know that numbers of young women of Tasmania come over to Victoria in the vain hope of finding matches. I recently visited the socialistic-ridden Colony called New Zealand, where there is legislation of the kind the Labour Party would be very glad to introduce in the Commonwealth. The whole of New Zealand, from one end to the other, was full of business, and I can compare it to nothing else but a hive of bees in the summer time.

Senator WALKER.—Were there no unemployed?

Senator STEWART.—No, I do not think I saw a single unemployed man.

Senator GRAY.—It is the garden of Australia.

Senator STEWART.—New Zealand was a fine "garden" in the time of Sir Julius Vogel, much as Tasmania is at the present time. I have been in Tasmania, and I have often wondered how it is possible that such a fine, fertile country should be so wretchedly poor and unprogressive; but since I have come into contact with a gentleman who was at one time Premier of that State, I wonder no longer. When in New Zealand I was very glad to have an opportunity to visit a number of factories there, and one fact that

struck me was that it was scarcely possible to find there a young woman of over twenty years of age who was single. There are no middle-aged old maids in the factories in New Zealand; at any rate, I do not think I saw one during the whole period of my visit. All the women workers I saw were young, fresh, blooming, and handsome, ranging from sixteen to twenty-two years of age; and when I asked the managers of several of these factories to explain how it was that no older women were employed, I was invariably told that employment was so plentiful and wages so good, that the young men were prosperous enough to follow the dictates of nature, and get married. If we had good government in the Commonwealth, we should not hear so much about the birth-rate, which would take care of itself. In addition to increasing the population from within, good government would undoubtedly tend to attract people from without. Why do people go to Canada and the United States? Simply because, in those countries, they can get free land, instead of having to pay from £20 to £30 an acre as in Victoria. Canada is very often compared with Australia, to the disadvantage of the latter, but those who make the comparison forget that Canada is just over the border from 80,000,000 of the best-off people in the world, and only 3,000 miles from 400,000,000 of poor, wretched, miserable Europeans, who are very glad to find a country in which they can make a living.

Senator WALKER.—Are these people welcomed in Canada?

Senator STEWART.—Certainly they are, as they would be welcomed in Australia. Canada can offer land free, but where can that be done in Australia? Here in Victoria the Government are actually compelled to buy back land, and from this State people have been driven at the rate of 10,000 a year for the last ten years—100,000 of the flower of the community, mainly young men between twenty and thirty years of age. These young men have been driven away by those wretched landlords who monopolise all the finest areas in this finest of the States. What is the good of honorable senators talking piously about increasing the population and encouraging immigration, if they have no definite scheme to lay before the people of the Commonwealth?

Senator WALKER.—Would the honorable senator allow immigrants to come here under contract?

Senator STEWART.—Why should they come under contract when they can make their contracts after arrival, and not be the slaves of the land-owners? Men who emigrate desire to go to countries where they can be their own employers, as in Canada. In Victoria, however, all the best land is monopolised by a few, and within a short distance of Melbourne there is no less an area than 3,000,000 acres owned by, I think, sixteen families. Senator Walker, who is a fine accountant, may be able to calculate how many poor families these 3,000,000 acres would support, giving each family 200 acres.

Senator PEARCE.—And that is some of the finest land in Australia.

Senator STEWART.—The Government of Victoria seem absolutely impotent to deal with this very pressing question simply because the land-owners hold them in the hollow of their hands. The Federal Government simply say—"We point out the difficulty, but we cannot suggest the remedy." Why not? If the States Governments will not impose taxation which will compel the land-owners to either use the land themselves or dispose of it to others who will, it is open to the Commonwealth Government to use their undoubted constitutional powers and impose direct taxation. The Commonwealth Government, however, are not a direct taxation Government, but a revenue Tariff Government, masquerading in the guise of a protectionist Government. Senator Playford dropped the mask this afternoon when he said that he and all of us were revenue tariffists; but God forbid that I should be a revenue tariffist, who advocates a deadly method of taxation which presses most cruelly on the great mass of the people. Such taxation neither creates industry nor breaks up monopolies; and it appears that we merely have a choice between the revenue tariffist who goes about as a protectionist, and the revenue tariffist who poses as a free-trader. We are between the devil and the deep blue sea, because both are frauds and shams, and the enemies of direct taxation.

Senator WALKER.—Are you a single taxer?

Senator STEWART.—If I were in Great Britain I should be, but in Australia I recognise very fully that we must have other sources of taxation than land. If we could break up the land monopoly we should be able to offer immigrants not free land—because I believe that to be impossible,

except in the youngest of our States—but land at from £1 to £3 per acre.

Senator PEARCE.—At its fair use value.

Senator STEWART.—Yes; and we should then, I believe, have thousands of young men coming to Australia. But we have nothing to offer, and can give no encouragement to artisans, labourers, or farmers tilling their own land. We must not forget that while Canada is within 3,000 miles of Europe, Australia lies at a distance of 16,000 miles, and that is a very serious handicap; but if we break up the land monopoly I am sure that immigrants will come here. I do not know about South Australia; but I know that in Tasmania land monopoly rules from one end of the State to the other, and that is the chief reason, I believe, why it is so backward in prosperity. New Zealand was in exactly the same position under the rule of Sir Julius Vogel.

Senator WALKER.—Is there much land to be got there for nothing?

Senator STEWART.—There is not a great deal of land to be got in New Zealand for nothing. The one blemish I saw in that Colony was in the agricultural industry. It is being largely over-capitalized, and if this is not soon checked there will be a reaction. If the Commonwealth Government really had the courage of its opinions, it would grasp this nettle, and if it did not impose direct taxation it would compel the States to do so. What is the good of talking in a vague, indefinite manner about immigration and population unless some remedy is proposed? The party with which I am associated has a clear policy. We would break up this and every other monopoly by hook or by crook. We would free the land and the mines. We would make the resources of the country available not only to the people who are here, but to such others as might come here from Europe and America. What is the policy of the Government? It has no policy, no recommendation to make. It simply states a difficulty, and then runs away from it. Then we have the question of preferential trade, to which apparently the Government thought itself entitled to commit the Commonwealth. As a citizen of the Empire, I am prepared to consider how a policy of this kind will affect my fellow citizens in Great Britain. If the people of Great Britain—our best customers—are prosperous, it nearly always follows that we also are prosperous. The best thing which could possibly befall Australia would be a 50 per cent. rise

in the wages of the British workman. If his wages were increased by that amount, he would be able to buy our products—to wear woollen clothing instead of shoddy, and to eat meat occasionally instead of looking at it once a month as he does at present. As it is, being miserably under-paid, being mostly in a wretched condition—

Senator WALKER.—No.

Senator PLAYFORD.—The honorable senator had better go and see them.

Senator STEWART.—Surely honorable senators do not know more about the condition of British workers than Mr. Chamberlain. He says that England is losing her trade.

Senator GRAY.—The leaders of the Labour Party in England do not make that statement.

Senator STEWART.—I am dealing not with the leaders of the Labour Party, but with the leaders of the Liberal and Conservative Parties, who say that one-third of the people of Great Britain live continually on the verge of starvation.

Senator GRAY.—One-tenth the honorable senator means.

Senator STEWART.—The leaders of the Labour Party say that not only one-third, but a much larger proportion of the people of Great Britain live in that condition. I lived in Great Britain much longer, I believe, than I shall live in Australia, and I know something of the condition of British workers. I say that no man in Australia ought to give his adhesion to any policy which would increase the price of food to these wretched millions in the old country. Will this policy of Mr. Chamberlain increase the price of food to these people?

Senator DRAKE.—No.

Senator STEWART.—Inevitably it must. If it does it is a policy which is inimical to the interests of the vast majority of the working people of Great Britain. It is purely a policy to increase the rents of the land-owning class.

Senator WALKER.—Hear, hear.

Senator STEWART.—Senator Walker and I do not agree very often.

Senator TRENWITH.—The honorable senator always agrees with him when he is wrong.

Senator STEWART.—The honorable senator who interrupts has not had the same advantage that I have had. He has only lived in Australia. I have had the advantage, or disadvantage, of living in Great Britain.

Senator TRENWITH.—So have I.

Senator STEWART.—I may tell the honorable senator that if I were in Great Britain I should be a free-trader, because I believe that free-trade is the only wise policy for that country. But, being in Australia, I am a protectionist, because I believe that protection is the best policy for this country.

Senator PEARCE.—It is a matter of latitude.

Senator STEWART.—It is not a matter of latitude or longitude, but a matter of time, place, and circumstances. That is just where rabid free-traders like the honorable senator make a mistake. He says that, because pap is good for a child, therefore it must be good for a man. Any man of common-sense knows that a child must be treated differently from a man—that a young tree requires shelter, water, and attention.

Senator PEARCE.—Protectionist children always remain children.

Senator STEWART.—America is a mighty big child, which is going to swallow its father.

Senator PEARCE.—It is still a child; it wants protection we are told.

Senator STEWART.—If I were living in Great Britain I should certainly be opposed to any policy of preferential trade. Believing, as I do, that it is against the interests of the great mass of the working people of Great Britain, I am opposed to the policy. But some one will say to me, "Well, it might be bad for the people of Great Britain, but surely it would be very good for us." If this policy would increase the price of the food of the people of Great Britain, if it would add to the cost of their raw materials, would it not injure them in the markets of the world? They could not produce so cheaply. They could not cope with the competition of other countries, and, therefore, they would lose their trade. If they lost their trade we should lose our market, and it would not do us any good. There is another aspect of the question which might very well be considered. We do most of our business with Great Britain, but we hope some day to find in the United States a market for our commodities. I am hopeful that before very long we shall find a free entrance for our wool into that country. It would offer a much better market for our wool than Great Britain, if we could only get an entrance. But if we were to raise a wall, to give Great Britain a preference over the United States in our market, the latter might very well say to us, "We shall not give you any advantage in our

market." Take Germany and France, which buy a great quantity of our wool. Are we going to offend them? Can we, in Australia, gain anything by adopting this policy? I do not think so. I think that our best policy is either to keep our Tariff as it is or to raise the duties, if possible, and, in any case, to put every nation on exactly the same footing. I believe that the difficulties with which Great Britain is confronted are not at all attributable to free-trade. If she is losing commerce, it is not because of her free-trade policy, but because of the heavy royalties which are paid to the land-owners, and the differential rates which the railway companies charge. Private enterprise, landlords, and money lords are ruining Great Britain, and rendering her incapable of competing in the markets of the world. When I was in Glasgow they were erecting new municipal buildings. The roofing was principally composed of iron. Tenders were called for, and the contract was obtained by a Belgian firm. There was a great outcry, and it was asked, very pertinently, I think, by the people in the district, how it came to pass that in the very centre of the iron and coal industry they were not able to compete with Belgium. An inquiry was held, and it was demonstrated clearly that the Belgians were able to undersell the local people entirely because of the higher royalties which the Scotch landlords extorted. If the people of Great Britain, instead of bothering themselves about fiscal questions, only had the courage to throw the landlords off their backs they would find themselves in a position to compete with any community. We have had the Treasurers of the States discussing the question of the transfer of the States debts. In this matter we have the old Australian failing of desiring something for nothing. The Treasurers wish to pay less interest for their loans, and in that way to save some money. I do not think that the bond-holders would be very likely to give us much advantage in that way. Those who derive a certain income from their investments in Australian stocks would, I think, insist upon getting the same, or as nearly as possible the same income, even if we were to change the stock from State to Federal. I do not see that much is to be gained in that direction. But some of the proposals of the Treasurer, Sir George Turner, do not seem to me to be of a character that ought to recommend them to the Federal Parliament. If we adopt his proposals,

we shall find ourselves in this position—that we shall be tied down for all time to a revenue tariff. He proposes to pay the interest on the debts out of Customs revenue, and to draw upon the railway revenues of the States for any deficiency. That does not appear to me—of course I am not a financier like Sir George Turner—to be good business. The railways ought to stand upon their own legs. The money which has been spent in building them was borrowed with the intention that they would pay, not only the cost of running them, but also interest on the money borrowed to construct them. That principle ought to be adhered to, and if there is any deficiency—if the railways will not pay—some method of taxation ought to be resorted to. Why are not the railways paying? In the Commonwealth Parliament, we cannot, unless we are prepared to go very much further than the Government seems willing to go, discuss such questions with much profit. But the railways are not paying, simply because in many cases they are run through huge, unoccupied, and uncultivated areas. Why are those areas unoccupied and uncultivated? Because in many cases they are in the hands of speculators. So that we get back again to the monopolist. We meet him at every turn. He obstructs our view, no matter which way we go, and it is being brought home with increasing force every day, that unless we can drive him out of our path, no progress is possible. If the Commonwealth Government take over the States debts, the inevitable corollary is that the Government must take over the assets. Are we going to make ourselves responsible for the interest upon the debts, whilst the States Governments manage the assets as they please? Such a proposal is ridiculous, and could never have emanated from a man who was really anxious to promote the best interests of the Commonwealth. The whole thing appears to me to be a cunning scheme to save the land-owners from direct taxation, and to throw the whole burden of the interest on the Customs. But suppose the Customs revenue decreases, as I think it inevitably will—I hope it will until ultimately it becomes a very limited amount—what will happen? The bondholder must get his interest. It must come from somewhere; and as the lands along our railway lines have been made valuable, mainly by means of the money borrowed for the construction of those railways, the people who own the land may fairly be called upon to make

Senator Stewart.

up the deficiency. I think those are the lines upon which the Commonwealth policy ought to go. But, as I have pointed out, the Commonwealth Government, while it sees all those difficulties, and realizes them to the full, has not the courage to grapple with a single one of them. What is the good of talking about them if we do not proceed to do something? The whole situation appears to me to be most unsatisfactory and unprofitable. We want to have a Government at the head of affairs that has initiative—a Government that has not only the discernment to see the difficulties, but the courage and capacity to deal with them. I do not know where such a Government is to come from. It is not visible at the present moment. We do not see the elements of it on the Government side of the House, and we look in vain on the Opposition side. I am afraid that the Commonwealth Parliament will have to renew its youth, as the eagle is said to do, before we have any measures which are likely to make for the progress and prosperity of the Commonwealth. Then the Government talk in a delightfully vague fashion about assisting agriculture, giving bounties, and generally distributing *largesse*. Why does not the Government come down with particulars, and tell us what it is proposed to do? They talk of assisting the farmer. We had butter bonuses in Victoria. They no doubt established the industry. But they have not helped the people who work in the industry one iota. The men who milk the cows and who make the butter are just as poorly paid to-day as they were ten years ago. They have to work long hours and submit to just as hard conditions as they did then. The whole benefit of the butter bonuses, so far as I have been able to discover, has passed into the pockets of the owners of the land. If we give bounties or assistance of any kind, unless we also have a land tax moving hand-in-hand with those aids, the private enterpriser will again benefit by State assistance. I am opposed to anything that will lead to that end. Then there is some talk about appointing a High Commissioner. When Federation was established it was generally understood that the various Agents-General were to be recalled, that the Commonwealth was to appoint a High Commissioner, that he would do all the work, and that a very great saving would be effected. But not a single one of the States has shown the slightest disposition to recall its Agent-General. Very

often the office of Agent-General is used as a harbor of refuge for some politician whom his colleagues wish to get rid of and to provide for. We had one case of that kind in Queensland. Sir Horace Tozer became a thorn in the side of the then Government, and they provided for him by sending him to London as Agent-General. It appears to me that exactly the same kind of thing has happened in Victoria, where Mr. Taverner, at a salary of £1,000 a year, has been sent to England. If the Commonwealth Government appoint a High Commissioner, I hope he will be an active business man, who will be something more than a diplomatic agent.

Senator WALKER.—The model State does not do that kind of thing.

Senator STEWART.—The model State does not seem to me to be very much better than the other States.

Senator GIVENS.—Which is the model State?

Senator STEWART.—Queensland. Did not the honorable senator know that? I trust that if the Government makes this appointment, some gentleman of commercial experience, who will not be too big for his boots, who will not put on too many airs, and who will not be too fond of going into society, will be appointed, and that he will be able and willing to promote the best interests of the Commonwealth. I am very glad that the Government plucked up sufficient courage to protest against the importation of Chinese into the Transvaal. Having committed the blunder of assisting in the destruction of the Boer Republics, it was only right that the Government should protest against this scandalous proposal to introduce Chinese into the Transvaal, whilst thousands of white working men are there, able and willing to work, and in very great need of employment. It was professed that the war was fought in the interests of freedom, and to secure for the people the franchise. They have not got the franchise now. Chinese are to be introduced, without so much as saying "by your leave," to the people of the Transvaal. The Englishman was all right, so long as there was some fighting to be done, some blood to be shed, some robbery to be committed. But, after the deed was done, and when the profit was to be secured, he was politely told that he was not wanted, and his friend, John Chinaman, is to be introduced upon the scene. I am glad that the Government had the courage to protest.

We do not expect such things of the Commonwealth Government, but occasionally we are agreeably disappointed. I am glad to think that the noble example set by the Premier of New Zealand has been followed, and I am of opinion that, as we have gone in for an Imperial policy, more or less, every portion of the Empire is interested in what is being done in every portion of the Empire, and ought to express its opinion in circumstances such as these. As to the Federal Capital question, we are told that it is desirable that a final settlement shall be come to at an early date. I am in no hurry to settle this question. I am satisfied that Bombala is the best site, and intend once more to vote for Bombala, if the question is brought up. But I must say that the conduct of New South Wales is not such as to incline members of this Parliament to hurry the settlement. We have been met in the most unfriendly spirit by New South Wales, or rather by the governing power in New South Wales. The Commonwealth Parliament passed a resolution affirming the desirability of securing a territory at least 1,000 square miles in extent. We were immediately told by the New South Wales Government that they would never consent to give us that area.

Senator GRAY.—Why should they?

Senator STEWART.—They say we must be content with 100 square miles, and I say that I should not be content with that.

Senator GRAY.—They asked that the agreement should be carried out.

Senator STEWART.—That is not the agreement. The agreement is that the Federal Territory shall be not less than 100 square miles in extent. It may be as much more as the Federal Parliament may determine, and the New South Wales Government is willing to give. I may tell Senator Gray, who appears to be such a strong advocate of the claims of New South Wales, that if the people of that State are not reasonable in this matter the Constitution can be altered, and the capital fixed in Queensland, South Australia, Victoria, or even Tasmania. The honorable senator must be aware that the Constitution is not like the law of the Medes and Persians, which could not be altered. It may be difficult to alter the Constitution, but it can be altered; and if New South Wales continues to adopt a dog-in-the-manger policy the people of the Commonwealth, in a fit of disgust, may say,

"If you will not give us what we have declared, through the mouths of our representatives, that we are anxious to get, we shall have the Federal Capital somewhere else." I hope that the Federal Parliament will insist on getting a territory of at least 1,000 square miles. For my part I should like to see the Commonwealth acquire a territory of 5,000 square miles. I think that, in addition to Bombala, we should have Eden, because I believe that a Federal port is an absolute necessity for the Commonwealth.

Senator GRAY.—Then the Commonwealth must pay for it.

Senator STEWART. — Certainly the Federal Government will pay for it. Did the honorable senator think that we wish New South Wales to pay for it, when we know that it takes that State all her time to pay her own way, without providing more than a fair share for the Commonwealth?

Senator MCGREGOR.—Even when she sells the family heritage.

Senator STEWART.—I hope that what I have heard with regard to the Government not being ready to go on with business is not true. I trust that the Navigation Bill, which we are told is to be introduced in the Senate, will be brought before us at once. It contains, I believe, some hundreds of clauses. I will take us some time to get through with it, and it will be iniquitous if we are now asked to adjourn for three weeks, and have to sit late at the end of the session. I have nothing more to say, except that I hope the Government will pluck up a little courage. Having pointed out several matters which require to be dealt with, I hope they will take heart of grace, will seize the nettle, and will attempt to do something instead of talking about it. If they show a little backbone, I can assure them that so far as I am concerned personally I shall give them all the support I possibly can.

Question resolved in the affirmative.

ORDER OF BUSINESS.

POWERS OF THE SENATE.

Senator PLAYFORD (South Australia
Vice-President of the Executive Council).

--I move—

That the remaining notices of motion and order of the day No. 1 be notices of motion and order of the day for Wednesday next.

In making this motion I may, perhaps, be permitted to make a few remarks upon a question to which I omitted to refer when

speaking upon the Address in Reply. The matter is to some extent a personal one, and also affects the Senate. I refer to the criticism passed upon paragraph 14 of the Governor-General's Speech. The paragraph reads—

The Estimates of Expenditure will be framed with economy, having due regard to the magnitude and importance of the interests under your control.

As that is addressed by His Excellency to the House of Representatives, the word "your" makes it appear as if the subject dealt with in the paragraph was under the sole control of the House of Representatives. That criticism has been offered, and I wish to say that, so far from that being in the minds of Ministers, we recognise that there is a dual control of Commonwealth finances. We know that if the Senate has not in every particular the same control over the finances as has the House of Representatives, it has a very considerable control, and a very much larger power than the Upper Houses of the States Parliaments. I regret that the use of the word "your" in the paragraph quoted should have given rise to some little misapprehension as to what members of the Ministry really think. I take a certain amount of blame to myself as leader of the Senate that I did not read the paragraph in this light when it was under consideration by the Cabinet. I can assure honorable senators that there is no intention on the part of the Government to claim for the House of Representatives any more power over matters of finance than that House is entitled to under the Constitution.

Question resolved in the affirmative.

SPECIAL ADJOURNMENT.

APPOINTMENT OF CHAIRMAN OF COMMITTEES.

Motion (by Senator PLAYFORD) proposed—

That the Senate at its rising adjourn until Wednesday next.

Senator DOBSON (Tasmania).—I should like to say a word about the business which is to occupy the Senate during next week. On almost the first day that I entered the Chamber there were discussions going on between honorable senators and Ministers about adjourning for two or three weeks. It was apparent that we had very little business to do, and a sufficient number of Bills to occupy our attention were not distributed. We have been looking forward to an adjournment for two or three weeks, and some honorable senators have gone to their homes.

I do not think that they will be at all inclined to travel 1,000 miles to attend the Senate next week in order to discuss a little Bill which is not of great importance, and the consideration of which may occupy perhaps an hour. They are, certainly, not inclined to come here to discuss the question of the admittance of Chinese to the Transvaal, not because that is not a question of great importance, but because Ministers have already dealt with it. But there is a question in which every member of the Senate takes an interest, and that is the appointment of a Chairman of Committees, and the motion of which notice has been given by Senator McGregor. Although that honorable senator has given fair notice of what he proposes to do, we can say, "Thank you for nothing," when we consider the day upon which he proposes that his motion shall be discussed. A number of honorable senators will be absent on that day; there is no substantial business on the paper to demand their attendance. I have already spoken to Senator McGregor, and have asked him to be good enough to postpone his motion so that we may have the question fought out when there is a full attendance. I am sure that neither Senator McGregor nor the candidate for the Chairmanship, whom he very properly proposes, desires that the appointment shall be made by a snatch vote. Every honorable senator is anxious that there shall be fair play in the appointment of that officer, especially when some of us are thinking of discarding the old and valued Chairman of Committees we have had for three years.

The PRESIDENT.—The honorable and learned senator must not discuss that question now. The only question before the Senate is that the House at its rising adjourn till Wednesday next.

Senator DOBSON.—If I am out of order I withdraw, but I thought I was giving proper reasons why, if we consent to the Senate meeting on Wednesday next, we should do so with an understanding that the motion to which I refer will be postponed. I am entirely in the hands of the leader of the Senate. I do not believe that Senator McGregor or any member of his party, desires that the motion shall be decided at other than an important sitting of the Senate, when Government business will be before us, and honorable senators who are not present will have no excuse for their absence. I say that any member of

the Senate may be excused for being absent next week, when there is no business of importance to demand his attendance, and when we were led by Ministers themselves to expect that there would be a long adjournment. I leave the matter now in the hands of the leader of the Senate.

Senator MCGREGOR (South Australia).—Senator Dobson did have a few words to say to me in connexion with this question, but had I consulted my own convenience and the convenience of a large number of honorable senators, instead of giving notice of my motion for Wednesday next, I should have given notice of it for to-day. I did not do so out of consideration for every member of the Senate who was not present. I desired to give honorable senators a week's notice, and if they are not prepared to sacrifice their own personal interests or convenience in the interests of the country, they have no business to be here. I am not going to consent to a proposition when it is impossible for me to get an opinion upon it from those whom I endeavour to represent, and who have as much right to be considered in this Senate as anybody else. I hope the leader of the Senate will give us an opportunity, not only to do private members' business, but all other business which can be done on Wednesday and Thursday next, if necessary.

Senator DE LARGIE (Western Australia).—If we cast our minds back, we shall remember that, in the last Parliament, the time for the discussion of private members' business was very much curtailed. Seeing that the Government have not a great deal of business on hand just now, and that there are already several private motions of great importance on the business paper, we should take advantage of the opportunity we have to discuss those motions. Notice of a motion for the appointment of the Chairman of Committees has been given, and most honorable senators are aware of it. The proposal to alter the order of business now for the advantage of honorable senators who are absent should not be entertained. I hope the Senate will meet on Wednesday, and will go on with the business on the paper. There is ample business to occupy us over next week, and I am satisfied that unless we take the opportunity to discuss matters now we shall not have time later on in the session. Every excuse will be urged for the shelving of such motions, and, therefore, I hope at this stage there will be no waste of time.

Senator MULCAHY (Tasmania).—I know that the remarks I am about to make will be somewhat out of order, but as you, sir, have allowed two or three honorable senators to refer to the somewhat informal observations of Senator Dobson, I take the opportunity of re-opening the question. I am one who thinks that honorable senators ought to be here to perform the duties they are paid for undertaking, and I certainly shall try to bear that in mind in my own practice. At the same time, when senators have to come from a distance and leave their business, they should, other things being equal, be considered if that can be done without injustice and inconvenience to others. We have sat on only two days this week, and there are important notices on the paper which might very well be dealt with to-morrow, but which now will be postponed until next week, when probably we shall meet for only one day. That being so, I think we might as well finish the business to-morrow, and thus meet the wishes of some honorable senators without inconvenience to any one. A matter on which I can speak with absolute impartiality is the motion referring to the appointment of the Chairman of Committees. It is desirable that the appointment should be made by the majority of the Senate, and honorable senators might fairly be expected to aid in having the matter settled at a time when there is a large attendance. I should not excuse honorable senators for not attending, especially when ample notice has been given, but at the same time there is very little business down for next week, and it is probable that a number of honorable senators will be absent. Under the circumstances it is just possible that the senator elected to the Chair may not represent the choice of the majority. I need hardly assure honorable senators that I have no personal feeling in the matter, my only desire being, as I am sure it is the desire of other honorable senators, to see the election carried out in a fair and proper way.

Senator PLAYFORD (South Australia—Vice-President of the Executive Council).—One or two honorable senators approached me, and urged that it would be only fair to give ample notice of the day on which the motion for the election of the Chairman of Committees would be considered. I went to Senator McGregor, understanding that he intended moving that Senator Higgs should take the chair, and suggested that the request made was one which it was desirable to grant; and Senator McGregor, directly the Senate

met last Wednesday, gave notice of motion for the following Wednesday. I had promised the honorable senators who spoke to me that I would do all I could to see that ample notice was given, and I thought one week a fair interval.

Senator DOBSON.—It is not ample notice.

Senator MULCAHY.—Is it not usual to elect the Chairman of Committees on the occasion when the necessity for a Chairman first arises?

Senator PLAYFORD.—There is nothing to prevent his election at any time, but the Standing Orders imply that it should be carried out at the earliest possible moment. Ample notice has been given, and if it is so very important, as I admit it is, that the Chairman of Committees should be chosen by a majority of the Senate, it will be the fault of honorable senators if they are not present to record their votes. I personally have nothing to do with the motion, and if Senator McGregor had been willing to further postpone its consideration, I should have acquiesced. Senator McGregor, however, is not willing for a further postponement, and, seeing that there are three very important items of private business on the notice-paper, I think the House might meet on Wednesday. The Government will then be in a position to lay the Navigation Bill on the table, and there is also a small Bill which may be considered. If we cannot finish the whole of the business on Wednesday, we can meet again on Thursday, and if necessary Friday.

Question resolved in the affirmative.

Senate adjourned at 9.57 p.m.

House of Representatives.

Thursday, 10 March, 1904.

Mr. SPEAKER took the chair at 2.30 p.m., and read prayers.

PRINTING COMMITTEE.

Report (No. 1) presented by Mr. POYN-
TON, read by the Clerk, and agreed to.

PERSONAL EXPLANATION.

Mr. BRUCE SMITH.—I understand that the statement has appeared in the press upon two or three occasions that it is my intention to become a candidate for the Chairmanship of Committees. With the permission of the House I wish to say that there is no authority for that statement.

TAXATION OF SHIPS' STORES.

Mr. WATKINS.—Has the Department of Trade and Customs yet drawn up the regulations which have so long been promised for dealing with the taxation of ships' stores?

Sir WILLIAM LYNE.—The regulations referred to are in draft, but have not yet been finally dealt with.

STANDING ORDERS.

Mr. MAHON.—I wish to ask the Prime Minister a question without notice. By way of introductory explanation, for the benefit of new members, I may say that for nearly three years this House has been transacting its business without having adopted Standing Orders, except such as are purely provisional, borrowed I do not know whence. I therefore desire to know from the Prime Minister how much longer he proposes to conduct the business of the House under Standing Orders which we have never had an opportunity to consider?

Mr. DEAKIN.—As soon as we have made sufficient advance with one or two of the chief measures upon our programme I propose to bring forward the new Standing Orders, and to occupy in their consideration those occasions when, for one reason or another, it will not be convenient for the House to proceed with other business. I understand that the points of difference are limited to about half-a-dozen, so that two or three afternoons should be sufficient for their consideration.

SUPPLY OF UNIFORMS.

Mr. WILKINSON asked the Minister for Defence, *upon notice*—

1. Whether it is true, as reported in the Queensland press, that recruits for the Defence Force in that State would not receive uniforms in time to enable them to go into their annual encampment?

2. Will the Minister say whether or not the £25,000 which the Right Honorable the Treasurer anticipates will be saved this year on ordinary military expenditure is being saved by keeping down the strength of the regiments, and by delaying the supply of uniforms to such recruits as have joined the Defence Force during the current year?

3. Have other States of the Commonwealth been treated in the same way as Queensland in this connexion?

Mr. CHAPMAN.—The answers to the honorable member's questions are as follow:—

1. Every effort is being made to supply uniforms prior to the annual camps of training.

2. No.

3. All States are treated alike.

PORT PIRIE POST-OFFICE.

Mr. POYNTON asked the Postmaster-General, *upon notice*—

What steps have been taken to give effect to a promise made by him some months ago that additional postal and telegraphic accommodation should be provided at Port Pirie?

Sir PHILIP FYSH.—The answer to the honorable member's question is as follows:—

The plans of alterations at Port Pirie, which will provide additional accommodation, have been approved by the Postmaster-General, and the Deputy Postmaster-General has been instructed to forward the necessary requisition in order that the matter may be attended to without delay.

PUBLIC SERVICE PROMOTIONS.

Mr. PAGE asked the Postmaster-General, *upon notice*—

1. Whether it is intended to appoint any junior officers over the heads of competent seniors in his Department?

2. Whether it is intended to appoint any employé as head porter in the General Post Office, Melbourne?

3. What is the procedure laid down by the Commissioner in regard to promotions and appointments?

Sir PHILIP FYSH.—The Public Service Commissioner has furnished the following replies to the honorable member's questions:—

1. No; unless the seniors are inefficient.

2. Neither the Commissioner nor the Department have any knowledge of such intention.

3. Appointments and promotions are made according to efficiency, and when there is an equality of efficiency according to seniority.

GOVERNOR-GENERAL'S SPEECH: ADDRESS IN REPLY.

Debate resumed from 9th March (*vide* page 353), on motion by Mr. MAUGER—

That the Address be agreed to by the House.

Mr. BRUCE SMITH (Parkes).—In the course of my observations last night, I referred to the fact that the appointment of only three Judges to the High Court Bench had been justified by a number of incidents, among them the action of one of the Judges in going to South Africa for a four months' tour. I had seen it stated in the press, and I was under the impression that the statement was true, that Mr. Justice O'Connor was absent from the Commonwealth for a period of three or four months. Since making that statement, I have ascertained that he was absent only during the long vacation, and therefore I withdraw all that I said

based upon my misapprehension of the facts.

Mr. DEAKIN.—Mr. Justice O'Connor was absent rather less than two months.

Mr. BRUCE SMITH.—I wish to offer my protest against a doctrine which was enunciated last night by the honorable member for Franklin, a doctrine which I have seen in the *Age* newspaper, to the effect that although New South Wales is entitled under the Constitution to have the Capital site chosen within its boundaries, the greediness of that State and the character of the bargain justifies the application to the compact of the theory of the Merchant of Venice. If that doctrine is to be applied in one instance in the dealings between the Commonwealth and a State, it is worth considering whether its application may not have a demoralizing effect which in the end will lead to very serious reprisals among the States.

Mr. FISHER.—What was said means nothing, and the honorable and learned member knows it.

Mr. BRUCE SMITH.—I should not have referred to the matter, but for the fact that the doctrine I speak of was supported in a leading article which appeared in the *Age* a few months ago.

Mr. WATSON.—The same spirit has been evinced by the Melbourne *Argus*.

Mr. BRUCE SMITH.—Perhaps so, and by a great many of the representatives of Victoria. In fairness to New South Wales, however, it should be recollected that her claim was based upon the ground that she is the senior State. Whether the compact which was entered into between the Commonwealth Treasurer, who was at the time Premier of Victoria, and the leader of the Opposition, who was then Premier of New South Wales, on behalf of their respective States, should or should not have been made, is a matter into which we cannot inquire now. But it is only fair to remember, when the Victorian people and the Victorian representatives talk of the relegation of the capital to the "bush," that that condition was imposed by the latter, who stipulated that if New South Wales was to have the capital within its territory, it must not be within 100 miles of Sydney. The relegation of the capital to the interior of New South Wales was not the action of the people of that State, but the action of the Victorian people through their accredited representatives. I therefore submit that the suggestion comes ill from any Victorian or Victorian representative that that stipu-

lation justifies the postponement of the question. I urge an early settlement, and not only in the interests of New South Wales. For my own part I do not think that if we estimated the monetary value to the Victorian people of the presence of the Federal Parliament in Melbourne, we should find it appreciable. I urge an early settlement in the interests of Australia.

Mr. KINGSTON.—In common justice.

Mr. BRUCE SMITH.—No one can have taken part in the debates of the last Parliament without feeling convinced that its presence in Melbourne has given Victoria an advantage in voting power to which it was never entitled under the Constitution. I have said before, and I mention it again for the benefit of new members, that if a careful estimate is made of the votes recorded in the last Parliament on Federal legislation, it will be found that, although the population of New South Wales entitles that State to a seventh more representation in this House than has Victoria, this State, as a matter of fact, by having the Parliament in its capital, has enjoyed a greater voting power to the extent of one-sixth. In common honesty, as the right honorable member for Adelaide says, this matter ought to be brought to a head. I have said before, and I have no hesitation in saying again, although it seems a paradox, that one of our aims in desiring the settlement of the question is that the capital may be in a place equally inconvenient to all the States. Melbourne is inconvenient now for the representatives of five States, and I claim that the capital should be equally inconvenient to the sixth State. The effect would be that instead of having a large number of honorable members with other occupations in the town in which Parliament meets, there would be a complete Parliament, with nothing else to do but attend to the legislation of the country.

Mr. FOWLER.—We shall all be professional politicians then.

Mr. BRUCE SMITH.—In my opinion, if the capital were in such a place there would be sittings even earlier than those we now enjoy, and the business would be transacted in a shorter time. We should be free from the influence of the local press, and each State, by reason of the inconvenience, would enjoy the proportion of representation, neither more nor less, to which it is entitled under the Constitution. What is the position? This question has been before us for three years, and there have been frequent references to excursions. I do not

desire to use the word "picnics," because the honorable gentleman who organized these expeditions does not care to have it so applied. I have not had the pleasure of taking part in any of these excursions at the public expense. I observe that the right honorable gentleman who has charge of the Department for Home Affairs is now proposing two further excursions.

MR. WATSON.—There was only one excursion previously for each House.

MR. BRUCE SMITH.—There have been at least two excursions in the past.

SIR WILLIAM LYNE.—One for each House.

MR. BRUCE SMITH.—Exactly ; I am speaking of Parliament in a general sense. It is now proposed that there shall be two more excursions—one, I presume, for the Senate, and one for the House of Representatives ; and that means an unlimited prolongation of the delay. I was hopeful that the leader of the Labour Party, who, in some of the speeches he made in his electorate, expressed his desire to have this question settled, would have already taken some steps in this direction. In these he would have had the loyal assistance of the Opposition, and, I believe, the loyal assistance of some of the Ministerial party. The question should be brought to a business head, and decided as soon as possible.

MR. WATSON.—We do desire an early settlement.

MR. BRUCE SMITH.—I give the honorable member every credit for that, but what I want is some practical proof of that desire. I wish the members of the Labour Party would take some step in which the Opposition could support them to force the hands of the Government, not to organize further excursions, but to bring the question before the House. No one can deny or doubt that whatever information honorable members require with regard to the suitability of the different sites they have at the present time.

MR. WEBSTER.—Including the new members ?

MR. BRUCE SMITH.—I should say that that is the case also with new members. At all events, if new members wish to go upon a journey of inspection by all means let them go as soon as possible, but let the question of the site be also decided as soon as possible. I submit that the postponement of the settlement is creating a permanent bone of contention between the two senior States. There is an impression in New South Wales, not

only rife, but bitter, that Victoria is deliberately trying to keep the Parliament in this State. A feeling to that effect was openly expressed during the elections, and both the Melbourne morning newspapers openly advocated that Victorian members should do their utmost to retain the Parliament in the capital of Victoria as long as possible.

MR. WATSON.—Only the minority of the Victorians advocated such a course.

MR. SALMON.—It was not advocated by any Victorian candidate.

MR. BRUCE SMITH.—I only know that candidates for the Senate had the retention of the Parliament in Melbourne as one of the planks in their platform.

MR. McDONALD.—But those candidates were rejected.

MR. BRUCE SMITH.—That may be. But it was openly advocated in the platform of a number of candidates for the Senate that the choice of the Capital site should be postponed.

MR. WATSON.—That was the platform of the "Argus four."

MR. BRUCE SMITH.—I hope that the House will not allow the Government any longer to play with this question, which, as every one knows, was for two years, without any justification, practically hung up. If members of the Labour Party will only take the initiative in this matter, which does not involve any political principle, I am sure they will find on both sides of the House a very solid following to assist them—and it could be done very easily in the present constitution of the House—in insisting that the Government take the matter in hand at once. Since the dissolution of the last Parliament a good deal has been said with regard to the conversion of the States debts. I am bound to say that the last two years have made a great change in the outlook as to the possibility of turning the proposal to good and profitable account. I was one of those who, in advocating the union of the Australian States, pointed out that with a joint debt of £200,000,000—that is about the total sum of the national debts of the six States—we might, judging by the value of Canadian stock, count on a Commonwealth stock being obtained for the purpose of converting the States debts, on terms at least $\frac{1}{2}$ per cent. lower than those which could be arranged by the States. The $\frac{1}{2}$ per cent. difference would represent a profit of £1,000,000 per annum. During the last three years, however, the aspect of affairs has undergone a

great change, and, with some knowledge of the subject, I am bound to say that, if the Commonwealth stock were offered upon the English market to-morrow for the redemption of a considerable amount of the States debts, or for even a small proportion of them, we should not be able to obtain money more cheaply than the larger States. I cannot prove the correctness of my impression, but, on the other hand, the Treasurer cannot prove the negative. With some hesitation I have formed the conclusion that, in consequence of the legislation passed by this Parliament and by the various States, Commonwealth stock would not be negotiable at any lower rate than that of the stock of New South Wales. The Treasurer, who undertook the guidance of the Conference of States Treasurers a few weeks ago, at which the subject of the conversion of States debts was considered, prepared a very elaborate paper, in which he pointed out all the circumstances which would have to be considered in dealing with a transaction of this kind. I am willing to admit that, to any one who had not hitherto interested himself in this question, that paper appeared to present the subject in all its aspects. But the Treasurer recommended to the Conference that, instead of waiting until the railways could be transferred from the States as a *quid pro quo* for the obligation assumed in connexion with the debts, the Commonwealth should take over the revenue of the railways in much the same way as a receiver, in the sense of the Equity Court, whilst the management should be retained in the hands of the States. I am satisfied that this House will never consent to the Commonwealth undertaking a liability for the States debts and receiving as a security merely the revenues of the railways. The railway revenues depend entirely upon the management, and it would be impossible to convince any practical body of men that they would be safe in taking over the obligations incurred in constructing the railways, unless they also had control of the management. In some of the States, by reason of the extension of the railway system into unpopulated regions, the results from a financial point of view have been very materially affected; and if we were content to take over the railway revenues, leaving the management to the States, we might encourage them in reckless management and reckless extensions to the ultimate destruction of the value of our asset.

Mr. Bruce Smith.

Mr. GLYNN. — The railway revenues would be required only for the purpose of covering the £1,000,000 deficiency between the Customs revenue and the interest on the loans.

Mr. BRUCE SMITH.—No doubt, but we could not mix up the two things. We could not possibly justify ourselves in holding back moneys which would be due to the States from the Customs collections, merely because, as the result of the bad management, the railways did not produce a sufficient revenue to meet the interest charge on the loans.

Mr. GLYNN.—But the Constitution says that we are to do that.

Mr. BRUCE SMITH.—If we adopted that course, it would lead to an immense amount of friction between the Commonwealth and the States, and would, I am sure, cause us to regret that the transaction had ever been entered upon. For my own part, I think the time will not have arrived for the conversion of States debts until we are able to take over the railway systems, lock, stock, and barrel. I do not advocate that this should be done at once. I do not think it is advisable, because, although our railways, except in the case of one State, are connected, they are not combined under one system. Therefore it would be very undesirable—even if the States were willing to allow it—for the Commonwealth to undertake the difficult functions of management of the railways of all Australia, extending from the northern part of Queensland to the most southerly parts of Tasmania, until some comprehensive scheme of management has been arrived at, and the systems have become one, either by the adoption of a uniform gauge, or in some other way. I very much doubt whether in our time it will be thought judicious to hand over to one central authority the management of the railways of all these States, because it must be evident to those who understand the difficulties of management that it will always be more to the advantage of the different systems that they should be under the control of men with a full knowledge of the local conditions. Whether that be so or not, I think that if the Treasurer expects to secure approval of his scheme under which it is proposed that the Commonwealth should take over the responsibility of £200,000,000 of loans, merely on the security of the revenues of the railways, without at the same time having the

management, he quite misapprehends the practical attitude of this or any future House.

Mr. GLYNN.—I do not think the Treasurer recommends anything of the kind.

Mr. BRUCE SMITH.—Now, leaving the question of debt conversion, I should like to say a word or two about the present condition of parties in this House. We have all had it dinned into our ears that we are in an almost unique position as a House, with three parties of practically equal strength. And it is very interesting for any one who takes an interest in political matters below the surface of things to speculate as to the possibilities of the future. Last night I endeavoured to point out the anomalous position which was occupied by the Government last session, and although I may have done so with more acrimony than was desirable, I hope it will be understood that, although I spoke with some warmth, it was not because I wished to display any anger or bad feeling towards any honorable member of this House. In one's earnestness of advocacy, however, one is apt, perhaps, to express oneself more vigorously than is necessary. I pointed out last night the extraordinary position of subordination which the Government have presented to Australia during the past three years, and urged that it would be a sad spectacle indeed if this Parliament were to witness a similar condition of affairs. No one can study the history of any measure which was passed by the late Parliament without feeling that the whole spirit of responsible government was completely ignored by the Ministry. There was not a Bill of any importance in connexion with which, if the Government had staked its existence upon the broad principles which it contained, they would not have been thrown out of office half-a-dozen times. I make the statement, not as an enemy of the Government, because I can claim that upon two or three occasions I dissociated myself from my party, and supported the Government in very close and trying divisions. I had, nevertheless, the best of feelings towards my party.

Mr. FOWLER.—Did the honorable and learned member's party reciprocate those feelings?

Mr. BRUCE SMITH.—The members of my party make many excuses for me. They regard me as a sort of *rara avis*, who abuses the principle underlying a White Australia during his election campaign, who opposes preferential trade, and who is, nevertheless, returned by the

largest majority in Australia. It will be seen, therefore, that I am liable to do many strange things, and one of those strange things has been that upon two or three occasions I severed myself from the party with which I am associated, and supported the Government because I believed they were right. That, however, occurred in three instances only during three years, and I venture to say that if anyone chooses to study the history of the measures which were passed by the Government, they must come to the conclusion—if they have a knowledge of constitutional government—that the principles which are laid down by all leading and recognised authorities as to the amount of control which a Ministry should exercise over a House in order to justify them in carrying on the business of the country was violated upon several occasions. According to those principles, there was an obligation upon the Government to resign the positions which they occupied—I do not say to this party or to that—in order to enable the country by its method of government to find somebody who commanded a stronger following. I think that on a previous occasion I referred to a remarkable illustration of what responsible government really is. I remember the late Sir Henry Parkes submitting to the New South Wales Parliament a measure of which he disapproved because of some clause which had been inserted by one of his colleagues. Accordingly, he asked the House to allow the Committee to sit again, so that he might reconsider the effect of the provision in question. The Labour Party on that occasion, realizing their power, resisted his request. That statesman thereupon told them that he would have to consider his position—that there was such a thing as the House taking the business of the Parliament out of the hands of the Government—and the next morning he resigned. That sort of conduct seems far away in these days, especially when we contrast it with what we have witnessed in this House during the past three years. It may be that the members of the present Government feel that on the ground of patriotism they ought to sink some of these high constitutional considerations in order that they, specially blessed and specially qualified, may be left to govern Australia. But we ought to consider whether we are going to continue that state of things during the next three years—whether the Government is to so control the House that when matters reach a critical stage they can stand four square,

and say—"We will have this, or nothing," or whether they are merely to be an irresponsible committee of the House, charged with registering its decrees. I see no prospect of such a Government being formed from either side of the Chamber at the present time. But I should like to see the Labour Party in this Parliament come into power, because, although I am willing to credit them with as patriotic a desire to do their duty as legislators as have honorable members upon either side of the House, I hold that they are idealists. They miss the practical difficulties of life, of commerce, of industry, and of legislation. Nothing better could happen to this country—so long as it did not continue for too long a period—than that the members of that party should come into power, feel the weight and responsibility of office, and have thrown upon them the onus of conducting the business of the country in such a way as to please the people. In my opinion, they would either have to completely change their mode of thought and of action, or there would be a reaction in this country which would drive them out of political life. One of the two things—I believe the former—would happen. They would have to make a confession similar to that which a labour member once made to me in the New South Wales Parliament. He said—"I entered this House with my mind full of beautiful theories for the amelioration of the race, but I have sat down, over and over again, with a sheaf of foolscap before me, in the effort to put some of my fine poetical schemes into practical shape. I have hopelessly failed, and I shall retire from the Labour Party and from politics altogether. If I ever re-enter public life, it will be as an independent member, who is possessed of more wisdom, more knowledge of the world, and more practical acquaintance with the difficulties of legislation."

Mr. HURCHINSON.—He was the exception which proved that the party was all right.

Mr. BRUCE SMITH.—I do not know that. The party still exists, but it has never yet had responsibility thrown upon it.

Mr. McDONALD.—Its numbers are growing, whereas the strength of the other parties is diminishing.

Mr. BRUCE SMITH.—I know that the honorable members of the Labour Party are very satisfied with themselves. They are quite satisfied that if they could only come into power, they could teach

their grandmother many little accomplishments with which she has not been acquainted. Apropos of this matter, I may mention that a very interesting account appeared in one of the Sydney newspapers the other day of the efforts to establish New Australia. I remember the initiation of that scheme some thirteen years ago. It started with a ship-load of enthusiasts, led by a poet named Lane.

Mr. McDONALD.—He never wrote a line of poetry in his life.

Mr. BRUCE SMITH.—At any rate he was a poet in thought. I have read many of his writings. The New Australia movement started with the idea of founding a communistic settlement in Paraguay. It was led by a Mr. Lane, and each man was required to take £60 with him, so absolutely did they discard the use of money. This community gradually dwindled, until it was thought that it had disappeared. The account, however, which appeared in the *Sydney Morning Herald* of last week, shows that, six years ago, it had only dwindled down to seventy-five members. These settlers then found that it was advisable to divide their possessions between them, each taking a share. The account in question recorded that since the division of the property of the settlement, since each man has been placed upon his individual mettle, the population of the community had nearly trebled, and, strange to say, they had found it advisable to employ native labour, because it could be obtained so cheaply. Whatever moral may be conveyed by these facts each honorable member can draw it for himself.

Mr. SPENCE.—Mr. Lane has nothing to do with that settlement.

Mr. BRUCE SMITH.—The honorable member is really forgetful of history. I have a vivid recollection of the period when the community was established, and I remember reading the accounts of the settlement which were published in New Australia from time to time, and forwarded to Sydney. I am very familiar with the history of the whole community. I have no desire to enter into an academic discussion of socialism; but it has always appeared to me that if the Labour Party are so thoroughly convinced that their theories are correct—and I do not think I offend any one when I credit them with being a body of socialists—

Mr. McDONALD.—That is quite right.

Mr. BRUCE SMITH.—Exactly. It has always appeared to me that if the followers

of the doctrine of socialism are so thoroughly convinced that it will succeed in building up a community, it is remarkable that they do not go to the State represented by my right honorable friend, the Minister for Home Affairs, where it is possible to secure, not acres, but degrees of land, and demonstrate the truth of their theories by establishing a community and building it up in order to teach the world how it ought to be managed.

Mr. FRAZER.—And allow the honorable and learned member to legislate for us.

Mr. BRUCE SMITH.—I should be very sorry to live in such a community. I prefer to reside in a community in which I stand, so to speak, on my own feet—in which anything I do for other people is purely a voluntary matter. I do not care to feel that whatever brains I may have, whatever ingenuity I may display, or whatever energy I exert, must be for the benefit of others. I do not mind doing many things for the benefit of others; but not by Act of Parliament. We all very much admire the Sermon on the Mount, but one would not like to be told by Act of Parliament that if a man struck him on one cheek he must, under section 400, present his other cheek to his assailant. That would be a horse of a very different colour. I say, for what it is worth, that I should very much like, in the interests of Australia, to see the Labour Party come into power.

Mr. McDONALD.—Let us have a majority, and we will take the responsibility. The honorable and learned member has done his very utmost to prevent us from obtaining that majority.

Mr. BRUCE SMITH.—I believe that the opportunity will come; that the members of the Labour Party will very shortly have an opportunity. They may take exception to the next measure introduced by the Government, and it is possible that they may succeed. If they do I trust that they will not shirk the responsibility. I hope that they will accept the responsibility that must follow upon the step which they intend to take—that they will shoulder the responsibility of Australian Government, come into power, and give the people of Australia an opportunity of seeing what they can do. I have always found, however, that persons of that school are not content to go away to a new country and there demonstrate the common-sense of their theories by building up a community. On the contrary, they seek to subvert the existing community, and to substitute socialism for that individualism that has built up the

race of which we are so proud to be members. It would be a very interesting thing—although it might be a very expensive and injurious experiment—for Australia to be started upon a socialistic career. I am satisfied of this—and I say so without a particle of animosity towards the Labour Party, for I recognise their philosophical right to entertain their opinions as freely as I do my own theories—that if they attempt that experiment they will produce a reaction in Australia against socialism, and all who advocate it, that will throw them back ten or twenty years in their history.

Mr. FOWLER.—That reaction is a long time in setting in.

Mr. BRUCE SMITH.—As a matter of fact, we have not yet reached the lowest stage that produces a reaction.

Mr. SPENCE.—We never shall reach it.

Mr. HUTCHISON.—A lower stage has been reached by the honorable and learned member's party.

Mr. BRUCE SMITH.—I trust that honorable members will allow me to proceed. I hope that honorable members will consider, in an unbiased way, the effect which our legislation has had during the last three years upon our position in England. I have taken from to-day's issue of a Melbourne newspaper a sentence uttered in Sydney by the leader of the Opposition, which I would commend to the public as well as to honorable members of this House. It sets forth that—

Australia can never become truly great or prosperous until the ridiculous extremes of legislation which tend to destroy the confidence of the world in our common sense have ceased.

In the course of the present debate in this House he also gave expression to the opinion that—

The state of Australia calls for the most serious consideration.

Anyone who looks at the attitude which capital has assumed at the present time must be struck by the changes that are taking place. We may laugh at capital; but it is part of the tools of industry, and, however much we may laugh at it, there can be no doubt that, once we recognise that it travels by cable, and not by ships, we must see that the continuance of legislation of the character we have had during the last three years will gradually impoverish Australia. I know of many cases in which companies and capitalists have withdrawn their money from Australian sources of investment because of the

doubt which exists as to how it will fare in the socialistic legislation of this country. Have we not our compulsory Arbitration Courts, which practically take the management of a man's business out of his own hands, which decide what wages he shall pay, how many hours his men shall work, what men he shall employ or dismiss, and generally the conditions under which he shall employ his capital? I ask honorable members to apply a very common-sense rule to that state of things. Is it to be supposed that a man, having money, will come to this country to invest it here in preference to other lands in which he has a free hand to manage his capital as he thinks fit? Whether it be right or wrong, moral or immoral, we have first to consider whether we can do without capital, and, if we find that we cannot do without it, how we can retain it here? The more capital we bring into the country, the more competition we secure among capitalists to reap the fruits of their own sowing. The more competition we obtain among capitalists, in their desire to secure a result from their investment, the more labour we employ. If the labouring class of Australia knew what was to their own welfare, instead of constantly crying out against capital as if it were a sort of bogey that was going to frighten or injure them, they would welcome it with open arms, knowing that the more capital we have the more labour we employ. What has been the effect of the present legislation? I know, as a matter of fact, that one company—the Scottish Widows—had some millions of pounds invested in Australia, and employed a gentleman in Sydney, at a salary of £2,000 a year, to invest its funds in different ways in different parts of the Commonwealth. I also know that that gentleman was told that the whole of the company's operations in Australia were to cease. The company is gradually withdrawing, if it has not already withdrawn, the whole of its money from Australia, and the paraphrased explanation by the directors to the manager in Australia was this—"We can get a sure 4 per cent. in Great Britain for our money. We do not know where we are in Australia. You may get in all our money; we give you a year's notice, and a year's salary."

Mr. KNOX.—That investment runs into millions.

Mr. BRUCE SMITH.—Yes. I am giving one instance, but there are many. Honorable members may depend upon it

that, so long as we handicap the true use of capital, by legislation which practically says to the capitalist, "We will allow you to invest your money, but we will not allow you to manage it," capitalists will embark in ventures in other countries, and will not send their money to Australia. Lately a very important Commission—the Moseley Commission—consisting of twenty-five members of the working classes, left England to inquire into the condition of the workers of the United States, and upon their return they reported to their fellow workmen in England with regard to compulsory arbitration that they did not want it. They said, "We require to be free to sell our labour as we like." That is a good illustration of the opinion of the workers of Great Britain. In the United States there is a population of 80,000,000 people, which is twenty times as many as we have in Australia.

Mr. BATCHELOR.—The members of the Commission did not see the other side.

Mr. BRUCE SMITH.—Does the honorable member suppose that in a population of 80,000,000 there are not persons ten times as hard-headed as he is? Is it not possible that the honorable gentleman does not see one side and that the Commissioners saw both?

Mr. BATCHELOR.—They did not go to see the other side.

Mr. BRUCE SMITH.—Why does the honorable member jump to that conclusion instead of jumping to the much more likely one that he himself does not see one side properly?

Mr. PAGE.—Does the honorable and learned member see the other side properly?

Mr. BRUCE SMITH.—I am not speaking of the other side. I am asking the party to which the honorable member belongs to consider these facts, and to see what bearing they have upon the possibility of their taking office in this country.

Mr. PAGE.—We are always considering those facts.

Mr. BRUCE SMITH.—I am very glad to hear it. I hope that the honorable member will not stop at the consideration of them, but will make some wise deductions regarding them. He may depend upon it that if he has to accept a portfolio in a Labour Ministry twelve months hence, he will think very differently on these questions from the way in which he thinks now.

Mr. SPENCE.—No doubt he thinks very differently now from the way in which the honorable and learned member for Parkes believes him to think.

Mr. BRUCE SMITH.—I know how he thinks. I know that he has had capital in his hands, and has it now. He sees the other side of the picture.

Mr. PAGE.—I mean to stick to what capital I have.

Mr. BRUCE SMITH.—If the honorable member were not under the heel of that system of caucus which practically deprives him of the right to exercise his individual opinion—

Mr. McDONALD.—Rubbish. The honorable and learned member knows that that is untrue.

Mr. FISHER.—It is a gross slander.

Mr. BRUCE SMITH.—Will honorable members of the Labour Party deny that they have to meet and take a vote among themselves to ascertain how they shall vote in this House?

Mr. McDONALD.—Yes; every one of them will deny it, and the man who repeats that statement, after it has been denied, knows that he is telling a lie.

Mr. SPEAKER.—Do I understand the honorable member for Kennedy to say that the honorable and learned member for Parkes is telling a lie?

Mr. McDONALD.—No. What I say is that any person who continues to repeat the statement made by the honorable and learned member for Parkes, after it has been contradicted, is guilty of saying what is absolutely untrue, and must know that he is uttering a falsehood. These statements are always appearing in the newspapers, and I have come to the conclusion that they are reiterated only from sinister motives.

Mr. BRUCE SMITH.—I do not agree with the honorable member for Kennedy, that any one who persists in a statement which has been denied is necessarily a liar, but he certainly subjects himself to the possibility of contradiction. I wish to know from honorable members of the Labour Party whether they will undertake to say that the caucus is not exercised by them? The people of Australia will be very much surprised to learn that it is not.

Mr. TUDOR.—The Opposition party exercises a caucus.

Mr. DUGALD THOMSON.—No.

Mr. BRUCE SMITH.—Every member of the Opposition, as I showed by my own actions during the last Parliament, has the right, if he chooses, to vote against his party. He does not by doing so risk the loss of his seat, and in point of fact, some-

times secures a larger majority in his constituency by showing his independence. Is it not a fact that upon many questions the members of the Labour Party take a vote?

Mr. McDONALD.—The honorable and learned member is now toning down his statement.

Mr. BRUCE SMITH.—Because I wish to be upon solid ground. I commenced by saying all questions; I know how to cross-examine. Having failed to elicit a satisfactory reply in regard to all questions, I am inquiring now in regard to a majority of questions.

Mr. FISHER.—Our answer is "No."

Mr. BRUCE SMITH.—Having failed again, I inquire in regard to some questions. It is admitted by the members of the Labour Party that upon some great political questions they take a vote among themselves in order to ascertain how they should vote in this House.

Mr. WEBSTER.—Who admits it?

Mr. BRUCE SMITH.—Does the honorable member deny it? I should be quite satisfied if I were addressing a jury with having obtained that answer in place of a direct admission. I challenge members of the Labour Party to deny that upon some great political questions—

Mr. McDONALD.—Name one such question.

Mr. BRUCE SMITH.—I challenge the members of the Labour Party to deny that upon some great political questions they have to take a vote among themselves to ascertain the opinions of the majority, in order to determine how they shall vote in this House.

Mr. FISHER.—They have not to do so in any case.

Mr. BRUCE SMITH.—Any one who replies "No" to my statement belies the whole course of the history of the Labour Party. I am willing to admit that there are questions to which they have agreed among themselves that the caucus shall not apply; but how can a man come into an assembly like this, and profess to represent the opinions of his constituency upon a great public question, at the same time admitting that he has arrived at a decision as to how he shall vote, by ascertaining the opinions of the majority of the members of the party to which he belongs?

Mr. WEBSTER.—The members of the Labour Party carry out their pledges to their constituents in every case.

Mr. BAMFORD.—Their constituencies elect them, knowing what their position as members of the Labour Party will be.

Mr. BRUCE SMITH.—I should be prepared to take the verdict of the electors in regard to the matter. I wish to know how this process would work out if eight members of the Labour Party were chosen to form an administration to carry on the government of the country. Would the eight labour members, in framing their policy be required to consult the other members of the party, or would the party insist upon some arrangement under which the eight Ministers should not go outside their particular platform? I should like to know what the public would think of the labour platform and of the handcuffed condition of things in which the new Government tried to carry on the affairs of Australia. I will not lay down any principles for the Labour Party; they, like myself, have opinions of their own.

Mr. PAGE.—What is the honorable and learned member's concern about what the Labour Party would do?

Mr. BRUCE SMITH.—I am not much concerned.

Mr. PAGE.—It would seem so.

Mr. BRUCE SMITH.—Not at all. I am only endeavouring to point out the extraordinary result that may be evolved from the present condition of things in the House. I say that on the Ministerial side there is not a sufficient majority to carry on responsible government, and I admit that on the Opposition side similar conditions prevail. But whether the House is going to allow the Labour Party to stand, as it were, on the centre of a see-saw, and, turning the House this way or that, take into their own hands the management of the affairs of Australia, minus the responsibility, is a question which the people will sooner or later have to determine.

AN HONORABLE MEMBER.—Let the Opposition form a coalition with the Government.

Mr. BRUCE SMITH.—I do not want any coalition; any coalition between the Opposition and the Government at the present time would be unwholesome and demoralizing. There must be a new Parliament, or the party which controls the Ministerial side must come into power and take the responsibility on their own shoulders. I have no caucus to control me, but I have a perfect right to express my individual

opinion; and I say that the necessary outcome of the present condition of affairs must be a state of public life which has never before been known in Australia. In Queensland, I think, on one occasion, the Labour Party came into power, but as soon as it was announced that they had accepted office they were turned out. I believe that something parallel to that occurred in South Australia, although I do not remember the facts.

Mr. BATCHELOR.—That was a Government of the Conservative Party in South Australia.

Mr. BRUCE SMITH.—It is all very well to use clap-trap phrases about conservatives, liberals, radicals, labour members, or socialists, but half the men who use them do not know what they mean. I have heard a man talking in this House about his liberalism, and telling us in the same breath that he is a conservative. From an historical aspect this sort of thing is a farce. If we look at the history of the Corn Laws it is found that the whole of the people and the members of the House of Commons, with a very few exceptions, who voted for the abolition of the Corn Laws belonged to the Liberal Party, and that those who voted to retain the duties were Conservatives. I have heard the Prime Minister over and over again talk of his party as a Liberal Party, and yet he is a rabid protectionist. What does "liberal" mean? If we look in Webster's dictionary or any public work which enables us to determine the question, we find that a liberal is not a man who indulges in liberality with other people's money, but is an advocate of freedom—freedom of thought, freedom of action, and freedom of commerce. How can the word be applied to a man who advocates the shackling of industry and commerce at every turn by a compulsory Arbitration Act, by duties, by bounties, and all the rest of the socialist paraphernalia which the head of the Government wants to introduce into this country? I am saying all this perhaps strenuously and forcibly, but with no bitterness. I perfectly well acknowledge the right of a constituency, if it likes, to send a Nihilist into this House, and I am perfectly willing to admit that that Nihilist would have the right to express his opinions here. I do not care whether a man is a protectionist, a free-trader, a socialist, a labour representative, or an individualist, so long as he honestly advocates principles in which he believes. With such a man

I am willing to treat and endeavour to settle political questions on the well-known principle of majority, which is the only principle we should observe. But, while I put no bitterness into my speech, I am entitled to comment on the extraordinary position in which we are placed—a position so extraordinary that I cannot get any man in the House to give me an idea which commends itself to my mind as to what the future is going to be. We are for the moment marking time; nobody knows what is going to happen. The party in power does not know from day to day when some divisional bombshell may burst and compel them to abandon office. I have always thought that it would have been much better for the honour and dignity of the last Government if they had made a stand long ago, and vindicated the principles of responsible government in Australia. That Government might now, in the change and whirligig of events, have been back in their places, and they would have established in the national Parliament of Australia a sound principle for the guidance of the people.

Mr. FISHER.—Does the honorable and learned member not admit that all Governments are more or less in the position he describes?

Mr. BRUCE SMITH.—No; I make no such admission. I can only tell honorable members that in the modern history of English government we do not find a leading statesman who would remain in office a moment after he had discovered that his Government had not a working majority.

Mr. FISHER.—Gladstone did so.

Mr. BRUCE SMITH.—I ask whether Gladstone, Disraeli, Balfour, Rosebery, Salisbury, or any other of the modern statesmen who occupied the position of Prime Minister during Her late Majesty's reign, would have humiliated and degraded public life by coquetting with another party, in order to remain in office after it had been ascertained that he had not an honest and substantial majority with which to control the House.

Mr. FISHER.—Lord Salisbury did it in 1885.

Mr. BRUCE SMITH.—If any work on constitutional government or practice be consulted it will be found laid down by leading men, and accepted by all the best authorities, that no Government is justified in staying in office unless it has a substantial working majority—not a majority of

one or two, keeping it in a condition of trepidation from night to night lest the required number may not be present; but a majority, which may be relied on to loyally assist in carrying out legislation believed to be in the interests of the country which they have undertaken to govern. What does responsible government mean? It does not mean that the Government are irresponsible—that it may do just what the House wishes, the House itself being practically an irresponsible committee. When a Government brings in a measure which is negatived, or so amended that the vital principles in it are killed, can it be said there is responsibility when the Government goes on with the business of the House after it has been thus demonstrated that they do not possess the confidence of honorable members?

Mr. PAGE.—Why not put that to the test?

Mr. BRUCE SMITH.—It is of no use our party putting the question to the test. We know very well, and I am sure every member of my party will agree with me, that there is not on this side of the House a working majority, unless we become dependent on the third party.

Mr. PAGE.—Which is the third party?

Mr. BRUCE SMITH.—The Labour Party.

Mr. PAGE.—That is the first party.

Mr. BRUCE SMITH.—I thought it fair enough to admit the Labour Party to be the first party when they come into office. At all events, I admit that the Opposition might have a majority if it were content to depend on the intermittent and moody support of the Labour Party. But I should be very sorry to be a member of such a Government, or to see any of my friends participate in the formation of an Administration which would be dependent on the favours or the good-will of a party bent simply on securing the advantage of the class it represents. I shall not deal further with this point, on which I think I have expressed myself pretty freely.

Mr. CHAPMAN.—The honorable and learned member was glad enough to have the support of the Labour Party in New South Wales when he was a member of the Ministry in 1891.

Mr. BRUCE SMITH.—That Ministry resigned because the Labour Party refused to allow the Chairman to leave the chair after a certain clause had been introduced into the Coal Mines Act unknown to Sir Henry Parkes.

Sir WILLIAM LYNE.—The Ministry with which the honorable member was connected accepted the support of the Labour Party for a long time.

Mr. BRUCE SMITH.—Whatever may happen in this House or in the States Parliaments, I hope that we shall endeavour to exhibit broader views and a larger love of Empire than we have done in the past. I am sure that no impartial critic of our legislation could look at the history of our last Parliament without feeling that we have done almost all we could to embarrass the British Government in its dealings with other countries. In the first place, we have shut out England's own goods as foreign merchandise. Our newspapers have talked freely about English manufacturers as foreigners. We have shut out England's own people, under the impression that it is injurious to the people of Australia that an employer should make a bargain with an English workman to pay his passage to Australia—instead of allowing the Government to do it—and to gradually receive the money back from him in instalments. We have embarrassed the mother country because we have irritated most of the nations of Europe by stopping their citizens from coming to our shores. We have refused to recognise the friendship and alliance of the mother country with her best friend, Japan, and have insulted the people of that country in classing them with barbarous peoples. We have absolutely turned our face from some of the residents of New Zealand, the very Colony with which we recently tried to federate. We have stopped the introduction of England's goods, we have stopped her people from coming here, and, altogether, have done our best—although, perhaps, unintentionally and thoughtlessly—to embarrass her in her diplomatic relations with her best ally. Yet we hear from the Prime Minister, that

Our fortunes are bound up with the mother country. We must stand or fall with her, we must rise or sink together.

If the Prime Minister had endeavoured to compose an ironical speech, having regard to the character of the legislation which he and his Government have proposed and passed during the last three years, he could not have said anything more effective. I shall do my utmost to support any party, whether it be the labour, the free-trade, or the protectionist party, so long as it introduces legislation which I can honestly, as a representative of the people, regard as

being in the best interests of Australia. But, whatever party comes into power, I hope that, instead of crying "Australia for the Australians," and building a sort of Chinese wall in order to shut off all communication with other nations, we shall remember that we are but a junior partner in the firm of John Bull and Co., and that it is our duty, in some cases, to sacrifice our local interests in order that the welfare of the Empire may be furthered. I trust that, whatever Government assumes the reins of office, will realize that the time has come for us to recognise the truth of the words which were uttered by the Prime Minister only a few days ago.

Mr. TUDOR (Yarra).—I do not propose to delay the House for any great length of time. Honorable members must have been delighted with the speech of the honorable and learned member for Parkes. Last night he gave us what was practically a re-hash of his election speeches in New South Wales, in the course of which he strongly denounced what he considered to be the sins of the Government. Many honorable members, who are new to this Parliament, must have judged from the remarks of the honorable and learned member, that he was foremost amongst those who sought to reduce the number of Judges of the High Court. That was to be inferred from the attitude which he assumed last night, when he said that the Opposition had been instrumental in effecting the reduction of the number of Judges from five to three. Any special credit in that regard, however, must be given to the honorable and learned member for Bendigo, who was the leader of the party in favour of decreasing the powers of the High Court in its original jurisdiction. The honorable and learned member for Parkes voted for the third reading of the Bill, and in the course of his remarks, denounced the Government for allowing the salaries of the Judges to be cut down, and the proposed pensions to be abolished. He said—

Yet the Kyabram influence has come in here, and has practically spawned over the whole of the Bill. The measure has been emasculated, because, instead of having a larger number of Judges, with proportionately high emoluments, we have the minimum number, for whom salaries all too low are proposed.

Mr. BRUCE SMITH.—I voted in favour of having only three Judges.

Mr. TUDOR.—The honorable and learned member could not have done that, because there was no division upon that point.

Mr. BRUCE SMITH.—I spoke against the appointment of five Judges.

Mr. TUDOR.—The honorable and learned member spoke for the first time on the motion for the third reading of the Bill. He did not speak on the salary question, because he was not very often in attendance here. He stated, on the motion for the third reading, that if he had been present, he would have voted for the higher salaries, and he denounced the Government for having abandoned their original proposal.

Mr. BRUCE SMITH.—I should do so now, because we want the best men.

Mr. TUDOR.—Honorable members who heard the honorable and learned member last night for the first time, and had not read his previous speeches in *Hansard*, would have gathered that he was one of the foremost opponents of the measure. He denounced one of the Judges for having taken a trip to South Africa, and he said the High Court had nothing to decide except some paltry election petitions. I voted against the High Court Bill, but the honorable and learned member supported it, and, if he had had his way, would have involved the Commonwealth in much greater expense than is now being incurred.

Mr. BRUCE SMITH.—I should have voted for the salaries originally proposed.

Mr. TUDOR.—It is quite a treat for honorable members of the Labour Party to be lectured by such a talented gentleman. We are delighted to be patronized by him even on the rare occasions on which he makes his appearance in this House. After denouncing the Government, he turned his attention to the Labour Party, and pointed to a case in Queensland, in which he stated that a Labour Government had held office for a few minutes, adding that a similar case had occurred in South Australia.

Mr. BRUCE SMITH.—I was not quite sure of the facts.

Mr. TUDOR.—That is often the case with the honorable member. The Ministry to which the honorable and learned member referred in South Australia included three members of his own party, and one of these was the honorable and learned member for Angas. I did not know until so informed to-day that he was a labour member, but we shall be delighted to receive him into the fold. Mr. V. L. Solomon, who was a member of the Opposition in the last Parliament, was also connected with that Ministry, and

I had no idea that he was an advocate of labour principles.

Mr. BRUCE SMITH.—I was not referring to that Government. I understood that there had been a purely Labour Government in South Australia.

Mr. TUDOR.—No, there never has been a purely Labour Government there. But with the honorable and learned member any stick is good enough to use to beat the Labour Party.

Mr. BRUCE SMITH.—I do not think that I have been unamiable.

Mr. TUDOR.—We have all been delighted to hear the honorable and learned member. Personally I always like to be present whilst the honorable and learned member is addressing the House. Whilst he was speaking last night, I could not escape the impression that he aspired to become the leader of the Opposition. I was driven to that conclusion by the inconsistencies to which he gave expression, and inconsistency, it appears to me, is a necessary qualification for the position. He admitted, however, that whilst the people of Australia were in the dark at the first Federal election as to the character of members whom they were called upon to elect, they were under no such disability at the recent elections. In this connexion, I merely wish to say that the Labour Party has every reason to be satisfied with the choice of the people, because, notwithstanding that the whole of the press of Australia was arrayed against it, notwithstanding the misrepresentation which was indulged in, its numerical strength has been greatly increased now that the people know us better. The honorable and learned member for Parkes has boasted that he was returned by the largest majority in Australia. I occupy a similar position, so far as Victoria is concerned, but in my case I had to face the opposition of both daily newspapers. Nevertheless I managed to obtain a majority of between 7,000 and 8,000 votes. But I have not the slightest doubt that the newspapers supported the honorable and learned member, and gave his views much more publicity than was accorded to mine.

Mr. JOSEPH COOK.—It was a party vote in each case.

Mr. CHAPMAN.—The honorable member was very confident of the result, and the honorable and learned member was very scared of it.

Mr. TUDOR.—I have not the slightest doubt that the honorable and learned member knew that his position was a very safe one. During the course of this debate

much has been made of the failure of the Government to obtain satisfactory tenders in connexion with our mail service. It has been stated that the reason the companies have not tendered is because of the embargo which has been placed upon the employment of coloured labour on our mail steamers. But I would point out that there are other conditions in the contract which have acted as a greater deterrent, namely, the provisions relating to cool storage.

Mr. KELLY.—Why do not the companies say so?

Mr. TUDOR.—They have already said so. The honorable member seems to know all about these companies, and I have no doubt that, if he inquires, he will find that their refusal to tender for the contract is chiefly due to the cool storage conditions to which I refer.

Mr. G. B. EDWARDS.—They have to provide cool storage at the present time.

Mr. TUDOR.—But under the new contract they are required to provide self-registering thermometers, and to allow Government officials to inspect the accommodation furnished at any time. The companies object to some of the conditions which are laid down in these provisions.

Mr. MCWILLIAMS.—Then strike out the provisions altogether.

Mr. TUDOR.—I would point out to the honorable member that the members of the Labour Party do not yet occupy the front Ministerial bench. When we do, no doubt we shall deal with all classes of the community just as fairly as he desires that the farmers should be dealt with. It has been said that we favour class legislation. That is so. We favour first-class legislation upon every subject, and hitherto the laws which have been placed in the statute-book have not been of that character. Yet, now that the workers have an opportunity to express their views in Parliament, we are asked by the honorable and learned member for Parkes to pack up our swags and leave for Paraguay. We believe, however, that we can render better service to the people by remaining here to fight their battles. Last evening the honorable member for Franklin expressed the hope that in connexion with the Arbitration Bill which is to be introduced, the common rule would not be made applicable to Tasmania. Personally, I think that the shipping companies here are quite able to fight their own battles, and I have no doubt that they will do so. At the same time, I am averse to imposing conditions upon Australian vessels that are not applicable to over-

sea ships that engage in the coastal trade. I do not believe in penalizing the local ship-owners whilst allowing over-sea vessels to escape. If we are to have a Conciliation and Arbitration Bill, and a Navigation Bill, let them apply to all persons alike.

Mr. FOWLER.—Would the honorable member reduce the Inter-State freights to the rates which prevail upon the ocean liners?

Mr. TUDOR.—That is a question for the steam-ship companies to decide. As I am not a shareholder in any of those companies I have no voice in the matter; but I intend to do my best to insure that the workers upon all vessels shall get as fair conditions as possible. During the course of this debate, many honorable members have declared their intention to oppose the inclusion of State servants under the Conciliation and Arbitration Bill. I have no doubt that, if the electorate of Yarra were polled to-morrow upon that question, 80 per cent. of the electors would vote in favour of their inclusion. No doubt the Prime Minister has studied the figures in connexion with the recent elections, particularly in regard to his own division. As he was returned unopposed, he merely had an opportunity of studying the figures relating to the Senate. From these he is doubtless aware that at Ballarat the four labour candidates who advocated the extension of the provisions of the Conciliation and Arbitration Bill to State servants headed the poll with about 50 per cent. more votes than did the next candidate. In two electorates in the State of Victoria four labour candidates headed the poll, and in four others three labour candidates were in the first four upon the list. Out of nineteen vacancies in the Senate, the Labour Party secured ten seats. In the light of these facts, I hold that the people have unmistakeably declared that the railway employés shall be brought under the operation of the Conciliation and Arbitration Bill. It is our duty to see that trade is not upset by any Government which may be opposed to these men, as it was in Victoria some months ago. I am aware that some doubt exists as to whether the provision in question is constitutional. That issue, however, can be determined in the Law Courts. The question of the redistribution of the Victorian electorates was considered by the last Parliament, and the House was then told by practically every representative of this State, with the exception of myself, that, with the passing of the drought, those who

had left country districts for the city would return to their old homes, and that each of the country electorates would thus re-adjust itself. We were told that the population of the drought-stricken electorates would in this way be increased, and that there would be, of course, a corresponding decrease in the population of the metropolitan constituencies. It was said, also, that the latest returns would demonstrate the truth of these predictions. The returns laid upon the table of the House a few days ago do not by any means verify them. They show, indeed, that the result has been quite the opposite. I propose to set before the House the figures relating to eight electorates which I believe honorable members will admit, represent roughly the drought-stricken area of Victoria—the electorates of Corinella, Echuca, Grampians, Indi, Laanecoorie, Moira, Wannon, and Wimmera. The returns show that after the proposed re-distribution had been made by the Commissioner, the number of electors in these divisions increased by 5,500, while the eight metropolitan constituencies increased by 13,582. We find that at the present time there are 275,000 electors in the eight metropolitan constituencies, represented by eight members, while the twelve country divisions—eliminating Bendigo, Ballarat, and Geelong from the list—have twelve members and only 255,000 electors, or 20,000 less than the metropolitan divisions and 50 per cent. more representations. The honorable member for Kooyong and I represent more electors than do four country members, but we are not allowed double voting power in this House. We were promised by the Government that if the matter were allowed to stand over for a time the Commissioner would be re-appointed to deal with the re-distribution of electorates, and I trust that that promise will be fulfilled at the earliest possible moment. The population of the metropolitan constituencies is growing, while that of the country constituencies is decreasing. I trust that the Government will take the matter in hand without delay, and arrange in the near future for a redistribution that will enable every elector in Victoria to have an equal opportunity to express his or her opinions, and to secure something like equal voting power. I, with other honorable members, am anxious that the debate on the Address in Reply shall be concluded as soon as possible, so that Parliament may be able to proceed with the con-

sideration of other business, but there is one other matter to which I wish to refer. Many honorable members have made pointed references to the provision in the Immigration Restriction Act, which prohibits the introduction of contract labour into the Commonwealth, and have referred to the case of the six hatters, which occurred some time ago. I dealt with that subject during the last Parliament. If they had carefully read the newspapers they would have known that another case occurred quite recently in Victoria in which it is very probable that six men were brought into this State under contract. As a matter of fact the *Argus* admitted some few days ago that the Outtrim Company, by whom these men were engaged, was afraid to take action lest it might be shown that these men were brought out under contract. Many honorable members declare that, while they are opposed to the enforcement of the contract labour section in cases where the persons concerned have been engaged at union rates of wages, they would be prepared to prevent the introduction of men to fill the places of others engaged in an industrial dispute. I would remind them that there is a dispute in the case to which I am referring, yet from the information which has been published by the press, it appears to me that the six men were allowed to come here under contract. I trust that the Government, instead of relaxing their administration of the Act, will make it even more rigid, and that as soon as a vessel touches at the first port of call in the Commonwealth the whole of its passengers will be questioned if necessary—as is done in the United States of America—to ascertain whether any of their number are coming here under contract. Some honorable members may object to the Immigration Restriction Act, but surely as believers in law and order they must be anxious to see effect given to a law once it has been placed on the statute-book of the Commonwealth.

Mr. CONROY (Werriwa).—When I read the remarkable list of proposals contained in the Governor-General's speech I could not help thinking that the Government had practically omitted only one matter, and that they should have followed the example of a State Ministry in America—I believe it was the State of Massachusetts—which proposed to introduce, among other measures, a Bill to banish the devil and all his works from that State. In their desire to placate honorable members, and to conciliate every party, the Government have

scarcely omitted anything. They have included in the speech a number of measures which it would be impossible for us to pass, even if we sat for twenty-four hours a day, during the life of the present Parliament. The Government have no reason to believe that the bulk of the people are anxious for more laws. On the contrary, the cry of the people of Australia is not that the Parliaments are not passing enough laws, but that they are enacting too many, and when we consider the actions of the Ministry, the manner in which they have introduced various measures, and the way in which those measures, on becoming law, have been administered, we must admit that the fears of the people are well founded. There can be no doubt whatever that the people really desire a rest from Parliaments.

Mr. PAGE.—Then let us adjourn.

Mr. CONROY.—If honorable members generally shared my view of the position, we should very soon go into recess. Nothing would tend more to clear the air than a division on the very question now before us. It seems to me that a great deal of the confusion which exists in the minds of the people is due to the one fact that while it is possible to prophesy as to what will be done by a body of men possessing the courage of their opinions, and having a set of political principles to work upon, it is impossible to foretell what the present Ministry may do. The Government have no political principles, or, at all events, if they have, they have succeeded in disguising them so well that no one—not even they themselves—can say what they are. It is therefore impossible to criticise them as one could criticise a Government which had ideas that they were ready to defend, or proposals which they had thoroughly considered to make, and prepared to support by every means in their power.

Mr. PAGE.—I hope that the honorable and learned member will not be too severe on the Government.

Mr. CONROY.—Perhaps I should not be severe upon them, because to attack them seems to me to be very much like kicking jelly-fish. There is a remarkable plasticity about them which almost disarms criticism. If it were not for this policy of no responsibility, which seems to be becoming fashionable in Parliaments, one would know what to do. It is most unfortunate that the Ministry, judging by the character of their actions, have set up no standard for public guidance. It would seem that all that

they ask is that they may be permitted to act as a committee of the House, and to carry out its behests. Is it a good thing? I am sure that it is not. It is opposed to the interests of the country. Almost all the legislation passed during last Parliament would, if responsible government were introduced, be very considerably altered. But one of the dangers connected with our legislation is that the legislative machine is in many respects so cumbrous that a subsequent alteration of our laws is very difficult. That being so, we should be extremely careful as to what measures we place upon the statute-book. Ministers should have seen that every measure submitted to the House last Parliament was well-thought out, and every Act of Parliament should have been indorsed with their full responsibility, so that the public could know how to apportion the blame for bad legislation. But things have been so conducted that people can only say that Parliament, as a whole, has been to blame, and that Ministers have been the most conspicuous offenders. This position of affairs arises partly from the manner in which the House is constituted, and partly from the fact that members of Parliament have failed to grasp the distinction between what matters are within the province of Parliament to legislate upon, and what are not. No doubt Parliament has many powers; it can control the observance of many laws. It has great possibilities for evil, but its capacity for doing good is not so large. A Parliament is merely a committee of men chosen by the people of the country to discover what laws are most suitable for its circumstances, to advance education, to preserve the public safety, to see that the classes of oppressor and oppressed shall not exist, and to, as far as possible, do away with class distinctions which prevent individuals from asserting their independence. Is this Parliament doing those things? It seems to me that we are not. Our legislation appears to have proceeded upon the assumption that because we have the power to do certain things, therefore, it is right to do them. Nothing of the sort. Parliament might declare murder legal, and say that no murderer shall be punished; but it could not make murder a moral act. The distinction between what is legal and what is moral is constantly being forgotten. The present tendency of members of Parliament seems to be to depart utterly from the great principles, which

should animate all parliamentary institutions. Unless a law enforces a moral as well as a legal power, it is useless. We have proceeded upon the supposition that by passing laws we can increase the national wealth, and assist this class or the other. But the signature of the Governor-General to a Bill, while it gives legal effect to the measure as an Act, does not create a new fund out of which we can give legislative assistance to any class, so that as the national wealth cannot be increased by parliamentary enactment we, in trying to assist one class, injure another. Parliament, however, has no right to make distinctions between class and class; it should act only in the interests of the whole community. Honorable members who sit on the Ministerial benches, however, constantly assert that protective duties should be imposed for the benefit of capitalists.

Sir JOHN FORREST.—For the benefit of the workmen.

Mr. CONROY.—The Government, and those who support them, have tried to guarantee to the manufacturers of the Commonwealth a profit upon their undertakings; but why should Parliament guarantee a right of profit to the manufacturer without guaranteeing a right of assistance to the masses of the community? So far from trying to assist the workers of the country, the Ministry are always devising new methods for extracting from their pockets a still larger amount of their scanty earnings. A great part of the first session of last Parliament was devoted to the attempt to impose upon the people of the Commonwealth duties more severe than had ever been imposed before by any one legislative enactment. The effect of these duties was particularly hard upon one State in particular, the State of New South Wales. The people, however, were told, when they cried out, that if before they had been beaten with whips, they would now be chastised with scorpions, and the threat has been carried out to the bitter end. Now the Government advocate fiscal peace. Was there ever a successful burglar who, after a midnight robbery, was not in favour of being left in undisturbed possession of his plunder? Similarly the Ministry, having plundered the people of Australia, ask for fiscal peace in order that they may not be made to disgorge. Do honorable members ever picture to themselves the sacrifices which the community have been called upon to make? Do they know the proportion of direct to indirect

taxation in this country. The taxation of this Commonwealth amounts to something like £12,900,000, of which something like £9,900,000 is collected by indirect means of taxation such as Customs duties, excise, and license fees, while only £2,850,000 is collected by means of direct taxation. If we were guided by the economic principles which prevail in England, we should establish a more just principle of taxation, and raise something like £6,300,000 by direct taxation and £6,600,000 by indirect taxation. In Great Britain the ratio between direct and indirect taxation is that between 48½ and 51½. It fills one with alarm to see a body of men who call themselves the Labour Party agreeing to a system of taxation under which three and a half times as much is levied from the masses as is taken from the capital of the country.

Mr. FOWLER.—Not all the members of the Labour Party.

Mr. CONROY.—The free-trade members of the Labour Party do not take that view, but I think that the majority of the party approve of the present iniquitous system. Of course, in a young country having a sparse population, the expense of collecting direct taxation is such that the ratio between direct and indirect taxation cannot be the same as in a country like England. Probably the ratio of 35 to 65 would be more equitable here. The people themselves, however, sit down quietly under the present state of things. To my mind, that is because the real facts have never been properly put before them. I am no advocate of taxation, because I believe that the less a country is taxed the more it will produce. No Parliament can direct men how best to employ their capital, but every penny that we take from the people in taxation decreases the amount available for the employment of labour upon productive work. £13,000,000 a year would give 130,000 men £100 a year each. But do honorable members consider that a very large part of that amount is every year wasted, and that in consequence the national wealth is to that extent diminished? It is competition amongst capital which alone brings about an increase in the rate of wages, and what we should do is to give free play to that competition. Instead of doing so, we absolutely ignore every economic law. We seem to think that we can afford to despise them. In Victoria, where I was brought up, the absolute disregard of economic facts has resulted in such a condition of affairs that the State has not been able to keep

its natural increase of population. Allowing for the natural increase during the last ten years, there is a shortage of something like 110,000 souls in the population of Victoria.

Mr. McLEAN.—If we had borrowed £17,000,000 in three years, and spent it, we should not have had much difficulty in retaining our population.

Mr. CONROY.—Does not the honorable member know that the expenditure of that money in New South Wales is destined to prove a most serious curse to the State, and that the ignorance and stupidity of the men at the head of affairs is responsible for the fact that the condition of the working man there is as bad as it is? Those who have had charge of the affairs of that State have been ignorant of every economic fact. There are elementary books which would have safeguarded them against the mistakes into which they have fallen, but even though they had read them they would probably be too stupid to understand them sufficiently to enable them to avoid the pitfalls into which they have fallen.

Mr. JOSEPH COOK.—Are not the members of the State Government of New South Wales nearly all protectionists?

Mr. CONROY.—Yes; they belong to the protectionist party, which persists, even to-day, in ignoring the foremost economic facts. According to the assumption of the honorable member for Gippsland, if £17,000,000 of loan money had been spent in Victoria, it would have resulted in great advantage, because it would have been kept in the country. It would have afforded a large amount of employment, and increased the wealth of the country to the extent of the money spent. The honorable member knows, however, that if a man spends £1, and receives only 18s. in return, he incurs a loss of 2s., and that the individual loss is reflected upon the community. The honorable member for Melbourne Ports argues that if a man spends £1, and gets back 18s. worth of goods, the community has the equivalent of 38s. At the same time he admits that such an argument would not apply to farming, because if a farmer spent £1 per acre upon his land, and only received back 10s., there would be a loss to the community of 10s. We ought to be thankful for even that ray of intelligence in the honorable member. We have been told that the difference between honorable members of this House is purely of a fiscal character; but it is more. It is a mental difference, which cannot be

overcome except by the spread of education. Only 130 years ago even the master minds of the age failed to thoroughly grasp the meaning of the principle of freedom. Even at present we are only fighting for one form of freedom. Do honorable members suppose that we should fight as we do if the matter were only one of fiscalism, if there were not a mental difference between us and the protectionists. Our opponents are mentally incapable of grasping the meaning of the word "freedom." Some honorable members seem to think that the question is one of socialism. I do not understand why every protectionist is not a socialist. If a protectionist is willing that the aid of the State should be invoked in order to secure profit to a manufacturer, why should not similar aid be granted for the purpose of assisting the great masses of the people? Whilst every protectionist should be a socialist, it does not follow that every socialist should be a protectionist, for the reason that if a socialistic State were engaged in conducting an exchange of goods with another State, it would be ridiculous to tax the products received in return for exports. Therefore, a socialist might very well be a strong free-trader, and we know, as a matter of fact, that the socialists of Germany and France are amongst the strongest advocates of free-trade principles in Europe. We are told, in the Governor-General's speech, that it is hoped that an opportunity will be presented for the adoption of a system of old-age pensions. If the Government felt perfectly sincere upon this question, they would tell us that we could raise by direct taxation an amount that would be sufficient to meet the outlay upon pensions. Before making any such provision, however, we should consider whether all such systems do not tend to pauperize the community, whether instead of providing for the old and helpless—which should be the sole object in view—they do not tend to create a feeling that work is not at all necessary, that we can do without thrift. The discouragement of thrift would be a very serious matter for the community; and if we do not take great care in the management of old-age pensions we shall find that more harm than good will result to those whom we are trying to benefit. That was found to be the case under the Poor Laws in England. Instead of tending to heighten the standard of living in England, they depreciated it, and great injury was inflicted upon the masses of the people. A full and exhaustive inquiry was held, with the result that the whole

of that legislation was abandoned, and an endeavour was made to meet the necessities of the case by means of an entirely new system. The Government profess a desire to afford encouragement to the farmers of Australia. I would point out that they may carry out their object most effectively by abolishing the duties now levied upon agricultural machinery. Last season I had to pay such a large amount in duty upon farming machinery that I was absolutely prevented from employing an additional man.

Mr. KINGSTON.—Why did not the honorable and learned member buy a local machine?

Mr. CONROY.—I bought the machine that would best suit my purposes. I was anxious to obtain a local machine, which could be easily repaired; but I found that the class of machine I required was not made here. I could not discover why, except that there was not sufficient inducement to make it within the Commonwealth. The farmer who requires £100 worth of machinery has to contribute £14 or £15 in the form of duties, and the indirect taxation to which the agriculturists are subject is extraordinary. I should infinitely prefer to see the revenue raised by direct means, and if the great bulk of the people were wise, they would make the same choice. Under a system of direct taxation, they would understand the extent of the contributions, and the sacrifice required of them. The present duties fall much more heavily upon those who have limited incomes than upon others with more means. Even though the man with small earnings may not be conscious of the extent to which he contributes indirectly to the revenue, his standard of comfort will be reduced and the value of his labour depreciated none the less. If the standard of living is low, we must expect a low tone in the community. It has been represented to us that the preferential trade proposals which are now engaging the attention of the people of Great Britain will, if approved, secure to us an immense and reliable market. We all know that, and as I believe in the extension of the principles of free-trade, I cordially welcome any movement that would have the effect of removing the existing duties, and that would give us a market in a country with 44,000,000 people, instead of our being restricted to a market with a population

of only 4,000,000. How different the case in England where it would mean restricting their market. But, if by preferential trade the Government mean that we are to give a preference to the people of Great Britain, I should like to know where in Australia we are to find the people to afford that preference. Are the people of Australia willing to offer a preference to any individual in Great Britain who is willing to trade with them? If so they need not go to Great Britain to find men who are prepared to trade with them, because they can be found here. Personally, I am ready to trade with them upon those terms all day long. I am prepared to exchange eighteen shillings worth of goods for a pound upon every possible occasion. Which of us would not exchange a cross-bred sheep for a good merino ram, or a sucker for a fine fat pig? I should like to hear a definition of the term "preferential trade." If a preference is not to be extended to some one, then the term is a misnomer; if a preference is to be offered, so long as it is upon our side, we are willing to accept it.

Mr. HUTCHISON.—But is it upon our side?

Mr. CONROY.—If a preference is to be given to the other side, are we content to grant it? From the protectionist standpoint there can be no preferential market, so far as I am able to understand. The willingness of free-traders to agree to a system of preferential trade results from the fact that it is in pursuance of the doctrine of free-trade. At the present time we are practically shut up in our own markets. Had I been a free-trader resident in Victoria prior to the accomplishment of Federation, I should have fought extremely hard for Federal union from the free-trade point of view, merely because it would secure to me a market of 4,000,000 people, as against a market of 1,250,000. In New South Wales the most ardent free-traders recognised that whilst that State would be called upon to submit to loss in many ways, as the result of Federation, the area which would be open to trade would be considerably broadened, as far as the protectionist States were concerned. The task of imposing Customs duties upon a country is one which is easily accomplished. That form of taxation generally commends itself to those who are at the head of affairs, simply

because it enables them to collect a large revenue with less trouble and discontent than would be experienced under any other system. But when our protectionist friends go further and declare that the imposition of these duties results in benefit to the people, and that on that ground we may fairly be called upon to contribute to the profit of a class, it is quite another matter. When they also assert that this form of taxation benefits the community, because the money is spent in the country, I should like to know what they have to say in regard to direct taxation. We recognise the fallacy underlying that argument in one case, and why not in another? If it be wrong to collect taxation from a class of people, it is equally wrong to collect it from the mass of the people, unless the money is absolutely required. At the present time one of the most pitiable sights in this Parliament is that of a number of honorable members who profess to represent the majority of the electors sitting idly by and bringing forward no proposals whatever for the removal of taxation from the masses. I know that there are some amongst their number who favour the imposition of direct taxation. But they merely propose to add to the existing burdens. If taxation is absolutely necessary, and in that case only, a certain economic proportion should be observed.

Mr. HUTCHISON.—Does the party with which the honorable and learned member is associated favour direct taxation?

Mr. CONROY.—Certainly, if it is necessary. But we believe that money should be raised in certain economic proportions.

Mr. CARPENTER.—The honorable and learned member favours direct taxation, but never proposes it.

Mr. CONROY.—What is the use of proposing something which we have no hope of carrying? If any proposals for direct taxation were submitted to-morrow, in the absence of any diminution of existing burdens, I should strenuously oppose them.

Mr. FRAZER.—Has not the honorable and learned member's leader declared that he will not allow the Federal Parliament to be used for the purpose of imposing direct taxation?

Mr. CONROY.—Nothing of the sort. There is no caucus in our party. The honorable member may have a leader because he needs one, but in a matter of economic knowledge I do not follow any leader. To me it appears monstrous that the very body which ought to be foremost in

fighting this question relegates it entirely to the background. To call itself the "Labour Party," when the bulk of its members absolutely decline to bring forward any proposals for lightening the burden imposed upon the masses of the people, seems to me to be misappropriating a name.

Mr. FOWLER.—Does that not apply to a good many of the honorable and learned member's own party?

Mr. CONROY.—I am afraid that it does. But whatever burdens they place upon the people, they seek to make them as light as possible. That is a great point to be urged in their favour. At least they strive to see that every penny of taxation is directed, not into the pockets of any individual, but into the coffers of the Treasury. They decline to grant the exclusive right of profit to any body of men. At the present time the Government are proposing to grant a bounty to encourage the production of iron. I am informed that a petition was recently signed in Melbourne and Sydney by all the great merchants and bankers, asking that the exclusive right of profit should be bestowed upon a certain body of men. I trust that the Labour Party will see that if that right is granted, the £300,000 which it is proposed to disburse by way of bounty, shall be paid by the wealthy, and not by the masses. I am quite sure that if we lay down that principle we shall hear no more of people coming to Parliament with a request for the granting of a bonus. How can any man who thinks that the State should guarantee the manufacturer some return upon the capital which he invests in a business, logically object to the State regulating the rate of wages? He cannot do so logically; but I am equally sure that it is done every day. One of the most laughable of things occurred in Sydney the other day, when two men, who are extremely well known as protectionists in that State, denounced the Arbitration Bill, which seeks to regulate the rate of wages, although only a week previously they had declared that a bonus should be granted by the State to a body of capitalists who desired to establish iron works there. I object to using the machinery of Parliament for that purpose. We are here merely to administer justice, and to do away with those obsolete laws which press so heavily upon the poorer classes. By repealing these laws, we shall accomplish far more good than by adopting any of the proposals which are to be submitted to us. I am

convinced that, in many cases, we are legislating, not against the cause of the evil, but against the results which naturally flow from those causes. We do not attempt to discover the source of those evils, but merely endeavour to regulate the evils themselves. If effect is to be given to the principle of free-trade, I certainly advocate free-trade in land. The result of our legislation has been to create a corner in land. We allow men to tie up estates in a way in which we do not permit personal property to be tied up. At the present time, settlements of land are made in a form which was instituted in England for the purpose of protecting a generation against its own vices. We have adopted those laws, and we call ourselves democrats. Yet not one of the States has conferred upon tenants for life the same powers that are given to them in England. We still permit artificial corners in land to be created, and these constitute an evil to the community. We talk about the rights which we have given to our tenants; but in that respect we are not nearly so progressive as is England herself. There the agricultural tenant has rights which no tenant in Australia enjoys. The former has a right to his improvements, and he can take many of them away, whereas in Australia that right is denied to him. What greater benefit could be conferred? We see every day the curse of land monopoly in a young community. It is one of the greatest evils. I come now to the further statement in the Governor-General's speech in reference to the preferential trade proposals that—

My advisers are pleased to note the cordiality with which these are generally regarded in this country, and are confident that the feeling will be strengthened when the statesman who is their author is able to visit us.

It seems to me that the inclusion of this paragraph in the Governor-General's speech is an exhibition of very bad taste. It shows a desire on the part of the Government to play one of those paltry games which can scarcely be explained save on the ground of want of taste. If we were to move the omission of the paragraph it would seem that we were attacking the individual who is named, as well as his policy. Mr. Chamberlain is of no interest to us so far as our legislation is concerned. He is not even in office—he is a mere parliamentarian. I admit that he is a very prominent parliamentarian; but we have to remember in considering this paragraph that he is not laying down a policy

for Australia. We are not called upon to deal with any matters relating to him, and therefore we should be perfectly justified in moving the omission of this paragraph, but for the fact that action in that direction might be regarded as an attack upon the man himself. No one desires that anything of the kind should be done; but the insertion of a statement of this kind in the Governor-General's Speech is the extreme of vulgarity. Nearly every honorable member whom I have consulted in regard to this paragraph, agrees that it shows a great want of taste on the part of the Government. Perhaps it is desirable that I should state why I decline to speak of Mr. Chamberlain as a statesman. Let me give the House his own definition of a statesman. He said on one occasion—

I say that only those are entitled to the name of statesman who can foresee what is to happen, at all events, in their own world, and can provide for it.

Let me apply that test to Mr. Chamberlain, and the House will see how miserably he fails to come within the definition. When he first entered public life he came forward as a rabid republican; to-day there is no man whose platform is more strongly supported by earls and dukes than is his. Possibly the support he receives from that quarter is due to the propositions he has made to increase land rents. There is no other man who so cordially adopts what he describes as an Imperial tone. Is it not absurd to apply the word "Imperial" to a free people? Let it be used if you will in relation to the Hindoos and the Emperor of India. But we can have only a King over a free people. A free people can have a head—a monarchical head, it is true—but not an Emperor. There can be no absolute ruler among a free people, and yet this man, if he had power to give effect to his desire, would have to-day such a ruler. It is not surprising in these circumstances that he has gone round to the protectionist cause.

Mr. MCWILLIAMS.—He has a goodly following amongst the working classes.

Mr. CONROY.—I do not say that any man who appeals to class or national bias—who appeals to ignorance or prejudice—may not secure a very large following. But we should gauge the calibre of a politician by his following of men who have had an opportunity to study questions of this kind. No man meets with greater condemnation at the hands of the great bulk of the working men of England who have studied this matter than does Mr. Chamberlain. In

1870 he advocated popular education on unsectarian lines; to-day he is one of the chief advocates of—

Mr. SPEAKER.—Does the honorable and learned member consider that that matter has anything to do with the Address in Reply?

Mr. CONROY.—Most certainly, sir. We are told in the Governor-General's speech that Mr. Chamberlain will probably visit us. We know that he has been requested to do so, and I am anxious to show what manner of man he is.

Mr. SPEAKER.—I fail to see what Mr. Chamberlain's views on secular education have to do with the question now before us.

Mr. CONROY.—Surely I am entitled to prove that Mr. Chamberlain has changed his views on these and other questions?

Mr. SPEAKER.—If the honorable and learned member can connect his argument with the Address in Reply he may proceed; but I would appeal to him not to unnecessarily take up the time of the House in dealing with a side issue.

Mr. CONROY.—I would ask honorable members whether a man like Mr. Chamberlain is likely to instruct us? To-day he advocates preferential trade, but so bitterly opposed was he to the principle a few years ago that he brought forward elaborate statistics in relation to it, and condemned it as strongly as he could. When we apply to him his own definition of a statesman, how lamentably he fails to come within that category. If he is not a statesman, but a mere politician, what purpose can be served by his coming here to instruct us? In the year 1870 he advocated a system of popular education on unsectarian lines, but to-day we find him an advocate of a system of sectarian education. Is he, therefore, so distinguished a statesman that he should be invited to visit Australia? Need I point out that as he was prepared to change his views on the matters to which I have referred, it is quite probable that he may be equally ready to change his views in other directions? In 1883 he advocated the compulsory purchase of land for public purposes, without compensation to the owners, and even proposed that fines should be imposed upon owners for past misuse of their property; but during the whole of his subsequent parliamentary career he did nothing to give effect to that proposal. The compensation sections in the English Act still remain as a hindrance to the principle he once supported, so that he has evidently gone back upon that principle.

Then, again, he at one time advocated a tax on the unearned increment, but in 1900 he voted against the taxation of land values. Is this the man whom believers in the taxation of the unearned increment ought to propose to bring to Australia? The Ministry who do not believe in it might perhaps do so. In 1885 he was a strong supporter of the principle of betterment; but in 1895 he ridiculed the mere idea of such a proposal. Is he to come to Australia to instruct us in regard to the betterment principle? I should like to know what the honorable member for Melbourne Ports, who, I believe, was at one time an advocate of that principle, thinks of Mr. Chamberlain's change of policy in this respect. In 1885 Mr. Chamberlain was in favour of manhood suffrage; in 1892 he voted against the abolition of plural voting. Is it any wonder that this Tory Government, knowing of these changes of principle on the part of Mr. Chamberlain, look forward to his visit to Australia? Possibly they wish, at some future time, to include in their platform a proposal for a return to plural voting, and are seeking his assistance in starting an agitation for a return to the old system. In 1885 Mr. Chamberlain advocated payment of members, but subsequently, when he had an opportunity to give effect to his views of the question, he refrained from voting. He had evidently changed his mind. I do not say whether he was right or wrong in that regard, but it is a remarkable fact that he has turned topsy-turvy on almost every question. Then, again, we find that, in 1885, he supported the principle of triennial Parliaments, but that in 1892 he voted against it. That is another reason why the Ministry may be anxious to secure his presence in Australia. In 1885 he was one of those who declared that the poor paid double their proper share of taxation. I believe that he was correct in that assertion; but when Sir William Vernon Harcourt, the leader of the Liberal Party, introduced a proposal to make wealthy estates bear their proper share of taxation by means of the succession duties, this distinguished statesman voted against the proposal. He has gone back upon every principle that he ever professed, and apparently because of that fact the Ministry now wish him to visit the Commonwealth. Nearly twenty years ago he spoke on behalf of, and voted for the principle of, a free breakfast-table; to-day he

is advocating a tax on dairy produce, and is bringing forward proposals to tax both the bread and the meat of the people. The man who has returned to what we should regard as *ultra* Toryism is the very man whom the present Ministry seek to bring to Australia. Their idea is that he should come here to strengthen their position. Many people are led away by the sound of a great name; and others are attracted by the advertisement which Mr. Chamberlain has given to himself; but I should like to know whether we are prepared to follow a gentleman of this type. Do we consider that a man who holds the views which Mr. Chamberlain professes to entertain is a distinguished statesman? Are we entitled to describe him as a statesman if we apply to him his own definition of what a statesman should be? Surely it cannot be said that he has foreseen what is likely to happen, and has provided for it? It is for these reasons that I have referred to him as being a politician rather than a statesman. Let us look at what he did in connexion with the Transvaal. He blustered and talked loudly of the new diplomacy, and then blustered into war, admitting at the same time that he believed the other side would never take up arms.

Mr. FISHER.—He said that it would be only a three months' war.

Mr. CONROY.—That is so. We talk about the bluster of Russia at the present time, but was not the bluster of our own people just as great in connexion with the Transvaal trouble?

Mr. KELLY.—Can the honorable and learned member point to any action on the part of Mr. Chamberlain that might fairly be described as bluster?

Mr. CONROY.—I can. What did he do when he was conducting his negotiations with Kruger? At the very time that he wrote to Kruger about the squeezing of the sponge and the running of the sand through the hour-glass, he wrote to the Secretary for War, stating that he could see no further necessity for reinforcements. Although, as he now tells us, war was inevitable, he conducted the whole of his negotiations upon the assumption that the Boers were not prepared to fight. Major-General Butler, the man who sent home the warning, was recalled, because he had the courage to say what he believed to be true.

Mr. FISHER.—He was hounded down.

Mr. CONROY.—Yes. What further has Mr. Chamberlain done? If there was one thing which it would have been right to do in the Transvaal, it was to see that

a white population was settled there. The immigration of white people should have been encouraged at all hazards, in order to place upon the soil white citizens, who in time would be ready to defend their own hearths and homes, and would do the work of colonization. That is not the view taken by this so-called statesman, this man to whom the Ministry think we should look for enlightenment, and whom they wish to visit us. He, or those whom he appointed, are introducing thousands of Chinese into the Transvaal, are creating discontent anew, and are uniting the white population only by the cruel bond of poverty. Yet it is proposed by the Ministry that Mr. Chamberlain shall come here, and tell us how to conduct our affairs. The Government seem to think that the sentiment of affection which now binds the Empire together, and is infinitely stronger than any other tie, should be superseded by the bond of interest; that we should consider what we can get out of our fellow-countrymen in pounds, shillings, and pence, rather than how nearly and dearly they are related to us. What has Mr. Chamberlain done for the improvement of the conditions of a free people, for the advancement of the world? The Empire, which his policy would create, would not be an Empire of free citizens, it would be an Empire composed of people such as the natives of Hindustan. It is the spirit of freedom which animates the people of Great Britain, which has done more for the progress of that country than anything else. It is written in Genesis that the spirit of God moved upon the face of the waters, and since the spirit of freedom has animated the people of England, it might be said that the spirit of God has rested upon that land. See how England has been blessed, and how she has advanced, taking any of the standards of comparison. Honorable members speak against the laws of competition; but what has brought us here? A hundred years ago freedom was practically unknown, except as a thing for poets to talk of, and the world was just learning the laws of competition. But since freedom has become a practical thing, and competition has had fair play, conditions have changed. What brings any of us here? Not our lofty lineage, our high station in life, or our great wealth; we owe our position to the working out of the law of competition, of individual effort, which some honorable members so much decry. There

is not a man here who does not owe his seat to his own energy and individualism. Will any one here say that he owes his seat, not to his own efforts, but to those of some class or body? Such a man would be a poor creature, and would soon be wiped out of political life. I do not deny that the stress of competition is sometimes severe; but the survival of the fittest is a divine law, which runs through all the departments of nature. What are men but the most highly developed form of animal life? We can no more escape the operation of the Divine law of which I speak than that of any other Divine law. It is the spirit of individualism which has developed that spirit of altruism which makes us seek to help our fellows; and when honorable gentlemen sneered at the attitude of the honorable and learned member for Parkes, I could not help thinking that the presence of each one of them here is a proof of the triumph of individualism. Our energies should be directed to the amelioration of the conditions of the community, and especially of the poorer classes.

Mr. FISHER.—No one objects to individualism, so long as it does not exploit the labours of others.

Mr. CONROY.—I wish I could think that that was the position taken up by the members of the party to which the honorable gentleman belongs. The Tariff which was passed last session was aimed at exploiting the masses of the people. Was it a just measure? Parliament should first of all observe justice. What are the words of St. Paul? "Seek first justice, and all things else shall be added to you."

Mr. MAUGER.—That is not a quotation from St. Paul. If the honorable and learned member is as much out in his political economy as he is in his scripture, he is all at sea.

Mr. CONROY.—Of course I am wrong in attributing the passage to St. Paul, but it is to be found in the Scriptures in a passage related by St. Matthew. Is it any wonder that there is growing up in the minds of the people the belief that Parliament is an institution from which one class or another may obtain some special advantage? Does our legislation go to contradict that belief? Why did the women agitate for a vote? Because it was believed that bodies of people unrepresented here could not obtain justice at our hands. Some of the clauses of the Conciliation and Arbitration Bill introduced last session absolutely refused to

recognise the rights of non-unionists. Was that just? What some honorable members desire is that we shall all be driven into the same groove, and regulated out of all that makes life worth living. I do not say that there are not evils consequent upon almost every form of government that can be devised; but why seek to intensify them? I hope that we shall hear no more of the proposal that this so-called statesman, Mr. Chamberlain—whom every reader of history knowing his past is aware will never be written of as a great statesman, though he may be termed a great demagogue—will visit Australia. Let me now come to another matter dealt with in this precious speech. If the Government really wished to assist the agriculturist they would remove the duties which hamper him. They cannot increase the value of my crops by making the machinery I have to buy and use more expensive. They do nothing to shield me from competition—I do not object to that, because I am ready to find out what crops best suit my land, and to send my produce to market in competition with that of every one else—but they should not make agricultural machinery so expensive that we sometimes have to do without needful implements. The price of certain machinery has prevented me from buying it, and thus from giving that employment which I could otherwise have given. I admit that I get a good return for the wages I pay, and do not desire to be thanked for spending my capital in the employment of labour. I am grateful to the man who does good work for me, just as he should be thankful for having a good employer; but I do not regard myself as a country squire who should be looked upon by his employes as a philanthropist. I pay good wages, probably the best wages, and I get the best return I can.

Mr. FISHER.—The duties on agricultural machinery are not higher than revenue duties.

Mr. CONROY.—If the Government wish to help the agriculturists, they will remove all these duties. Then we are told in the speech that provision will be made for the cheaper and speedier transportation of meat, butter, and fruit to the larger centres of population abroad. Fancy this Government encouraging trade! According to the doctrine of the protectionist, what greater good could happen to the community than that all our exports, once they have passed beyond the three miles limit, should be destroyed, so that we should get nothing in return for them? What do protectionists

regard with greater favour than the total cessation of imports? As a matter of fact, the Government propose to pass navigation laws to discourage competition amongst shipping on our coast. Those laws are to be passed, not out of consideration of the producers, but for the benefit of a ring of local ship-owners. Here again we have a policy of class legislation antagonistic to the interests of the producing classes. I need hardly point out the inevitable effect of these laws upon the commerce of South Australia and of Western Australia. If the great steam-ship companies of the world are discouraged from sending their steamers here, Adelaide and Fremantle will probably cease to be ports of call. There is no escaping from that position. Is it to be argued that because Western Australia cannot secure the same full representation in this House that is enjoyed by other States, its claims are not to be considered? I hope that a sufficient number of honorable members will be found to insure that the producers of South Australia and Western Australia shall have the fullest and freest opportunities to make use of the great ships trading along our coasts and to the mother-land. I wish that the number of these ships could be doubled, and that freights were reduced to one-quarter of the present rates. We have heard a great deal of talk about immigration. There is no known law by which Parliament can make an addition to the population of a country. Parliament can, however, make laws which will do very much to discourage population; and that is exactly what we have been doing. We cannot add to the fruitfulness of the race, but we can take great care that that fruitfulness shall not be discouraged by our laws. One of the most wonderful features of the history of the last century was the wonderful increase in the population of Europe, which commenced at the time when the spirit of freedom was first breathed over the Continent. For a period of possibly 2,000 years the population of Europe could have been reckoned at about 175,000,000. There had been very little increase until about the year 1800. Then the spirit of freedom and individualism spread, and the old socialistic laws, which prevented competition, were abrogated. The effects of competition made themselves felt, and the population increased to over 400,000,000 during the century. If the spirit of freedom did that for Europe, let us see what effect it would have upon our community. The Government who have administered a harsh law in a far more drastic manner than was necessary, and who

have done so much to discourage immigration, ought not to complain of the present condition of affairs in regard to our population. It has been stated that there is no necessity for the States Governments to appoint Agents-General, and the speech promises that a Bill shall be brought forward to provide for the appointment of a High Commissioner. It is certain that, until we make such an appointment, there can be no representation of Australian interests in London, and further, we certainly ought to afford the States an opportunity of saving some thousands a year by the withdrawal of their Agents-General. Therefore, upon general grounds, I support the appointment of a High Commissioner. We are told that the report of the Royal Commission appointed to consider the advisability of encouraging the establishment of iron and steel works in the Commonwealth will be laid before us, and that we shall be invited to give it effect. Does any one believe that if that proposal had been designed to afford help to the great masses of the people, the Government would have had anything to do with it? It is because the scheme will play into the hands of wealthy men, who are able to make their representations in person to Ministers, that Parliament is to be called upon to consider it. If any such aid is to be given, however, it should be provided for by means of direct taxation. If an amendment is carried to that effect, I am sure that we shall hear nothing more about the encouragement of the iron and steel industry by means of a bonus. Some persons are ready enough to give encouragement to manufacturers by this means, when they know that the money will be taken from the masses of the people; but if it is insisted that the necessary funds shall be raised by direct taxation, proposals for bonuses will meet with the opposition, not only of the masses, but of the capitalists, who ought really to know better than to try to make use of the powers of Parliament in order to line their own pockets. The Government were, no doubt, quite within their powers, but in my opinion exhibited very bad taste when they protested to the Imperial Government against the introduction of Chinese into the Transvaal. The advice contained in that message was such as I should have given myself. I cannot too strongly reprobate the action of Mr. Chamberlain—whom I regard as responsible in the main for the action now being taken because he appointed the officials who recommended the

introduction of the Chinese—which is absolutely against all maxims of statesmanship. At the same time, we ought not to interfere in such matters, unless we are prepared to receive messages similar to those sent to others by us. That is the sole ground upon which I object to the action of the Government. I am in sympathy with the course taken by the Government, but I cannot express it officially. We may, as citizens, freely express our views, but it is a great mistake for a Parliament such as ours to interfere in the affairs of another State. We should strongly object if the British Parliament were to send us a message expressing the hope that we would not pass the Conciliation and Arbitration Bill. That would be considered an interference with our conditions of self-government. Similarly, it is not fitting that we should interfere in the affairs of the Transvaal.

Mr. MAHON.—Why did the honorable and learned member vote in favour of sending a contingent to the Transvaal to interfere at the time of the war?

Mr. CONROY.—Was I not one of those members who did not vote in favour of the contingent?

Mr. McDONALD.—The honorable and learned member voted in favour of the contingent being sent.

Mr. CONROY.—I may have done so, but my own impression is that I was not present in the House at the time. Be that as it may, however, I would point out that there is a great difference between an occasion of the kind to which I have been referring and a case in which war has been entered upon. In the case of war, it may be the truest kindness to assist in bringing it to a conclusion, even after one may have fought tooth and nail against such a war being entered upon.

Mr. McDONALD.—Hear, hear. It was a cruel war, and was entered upon in order that the Boers might be robbed of their mines. Now it is proposed to hand over the mines to Chinamen.

Mr. CONROY.—And yet the action was taken by the man whom the Government now invite to Australia. I presume that it is intended to ask the House to vote a sum of money to defray his expenses.

Sir GEORGE TURNER.—The honorable and learned member presumes wrongly.

Mr. CONROY.—Then why should the matter have been mentioned in the

Governor-General's speech? We are told that

The operation of the Sugar Bounty Act has fostered the employment of white labour, so that the number of growers taking advantage of it is steadily increasing.

All I can say is that the conditions in regard to sugar growing in Queensland and the payment of the sugar bounties present an extraordinary spectacle. It has been stated that the land upon which sugar growing is conducted is the richest farming land in Australia.

Mr. McDONALD.—Hear hear; that is quite true.

Mr. CONROY.—Then does it not seem marvellous that we should be practically paying the sugar growers £10 per acre per annum, because they are the owners of the richest farming land in Australia? We may presume that one acre of land produces two tons of sugar, upon which a bounty of £5 per ton is paid, if it is grown by means of white labour. Therefore, the occupiers of the poorer lands of Australia are called upon to contribute £10 per acre to the owners of the richest farm lands. Could anything be more ludicrous? Would it not be more reasonable to call upon the sugar planters to assist the owners of the poorer argicultural lands? If the sugar lands cannot be put to any use except with the assistance of a bonus of £10 per acre, we should be better off without them. This is one of the results of the brilliant statesmanship of the members of the present Government. Do we not deserve every misfortune that can possibly fall upon us while we allow such a body of men to continue in office? I need not refer to the discouraging effects of the sugar bounty upon the other great industries in which sugar is used as the raw material. The jam and fruit preserving industries are placed under a great handicap, and the orchardists also stand at a disadvantage while sugar is protected to the extent of £6 per ton. To-day every farmer throughout Australia is called upon to contribute his quota in order to keep the richest lands in Australia under cane cultivation. How many additional hours has he to work during the year in order to do that? What is his recompense or that of the orchardist who is discouraged in his attempts to obtain a market for his fruit? What is the encouragement which is offered to the jam manufacturer? Yet the Ministry are so proud of their work that they constantly recall the

granting of this bonus to our remembrance. We are further told that—

The Defence Act has been proclaimed, and regulations under it approved. The Forces of the Commonwealth are now subject but to one Act and one code of regulations, insuring their effective organization.

When I saw the statement of the Minister for Defence, that he had provided for the common defence of Australia, I naturally looked round to discover signs of it. I got them in thirteen and a half foolscap pages of regulations. How have the Government provided for the defence of Australia? They have provided aiguillettes and shoulder pads for the staff. I find that its members are to wear—

Cord $\frac{1}{4}$ inch gold and red orris basket, with plait and cord loop in front, and same at back, the plaits ending in plain gold with gilt metal tags.

What a masterly stroke on the part of the Minister for Defence. Again we are told that—

The long cord is looped up on the top or front cord, the front cord and the short and long plaits are fastened together, and a small gold braid loop is fixed thereon to attach to the top button of tunic, and to lower hook on neck of the frock coat. On the latter, on the side on which the aiguillette is worn, the arm is passed between the front plait and cord, and the back or long plait and cord.

For the General Officers the shoulder pad, we are informed, is to be of—

Plaited gold wire, basket cord, and they must be very careful about the size of the cord. It is to be three-sixteenths of an inch in diameter.

Mr. CHAPMAN.—Is the honorable member reading from regulations or from general orders?

Mr. CONROY.—From general orders. I do not question that they have been fully approved by the Minister. Indeed, the honorable gentleman must have spent many years in a millinery establishment, otherwise he could never have evolved them all. The shoulder pads are to be—

Plaited gold wire, basket cord three-sixteenths of an inch in diameter, small gold gimp down the centre, strap of the shoulder knot $2\frac{1}{4}$ inches wide, terminating in a small $\frac{1}{4}$ inch wing. Probably that will give a fuller appearance to the shoulders. There is to be—

An eyelet hole next to the collar.

What is that for? It is for—

A small gilt button.

To think that the mighty intellect of the Minister for Defence should have been engaged for so many weeks in elaborating this scheme of ornamentation.

Mr. BATCHELOR.—Is this dress intended for the citizen soldiers?

Mr. CONROY.—I am quoting from "the dress regulations for officers of the staff, militia, partially-paid, and volunteer military forces of the Commonwealth of Australia." For the light horse the aiguillette is to be fastened on the shoulder, not with a button, but with a "screw button." The dress of the field artillery is to be of the same pattern as that of the light horse. In the Army Service Corps a serious distinction is made, inasmuch as a blue silk thread is to be worked in, and the Army Medical Corps is to have a chocolate silk thread. The breeches were a matter of serious consideration. Men may wear them to fit their legs or loose, but in the case of officers they must be "cut loose at the thigh and tight at the knee." They are to be laced below the knee, in the centre of the leg. The pockets are to be cut across, and the breeches are to have a waist-strap and buckle. The garrison artillery are to have—

Cord, $\frac{1}{4}$ inch gold, three lines from shoulder to shoulder resting on the breast.

What would happen if a member of the artillery had two lines in his uniform, or if there were only a single line, I can only feebly conjecture.

The lines are to fall one inch apart in the centre, and meet at the ends of the shoulder pads, being sewn on to the right shoulder pads, and fastened to the left with hooks and eyes.

Does the Minister intend to hire out these officers for the next pantomime? The engineers' shoulder-pads are to be—

The same as above, but with red and blue silk threads worked in.

The militia are to have dark green silk threads worked in; the Army Ordnance Corps, blue silk threads; and the Veterinary Department, maroon silk threads. Coming to the officers, I learn that a captain is to have two rows of chevron lace, a lieutenant-colonel three rows of chevron lace and four rows of braid alternately. I find, too, that the Minister for Defence himself is not observing the regulations, which provide that linen collars are to be worn buttoned on to the collar-jacket, so as to show one-eighth of an inch above. I learn also that—

Knee boots of black leather will be worn, and black spur leathers and steel chains, whilst the collar badges, where worn, must be of metal. For the general officers the peak cap is to be of "patent leather, embroidered all round with oak leaves in

gold, $\frac{3}{4}$ inch wide." Coming to the hat, how is it to be carried? Some people may imagine that the members of our Defence Force may cock it jauntily upon their heads just as they please. Nothing of the sort. It is to be—

Set at an angle of about sixty degrees, and carried well back to protect the temples.

There is also to be—

A brown leather chin strap, $\frac{3}{4}$ inch wide, buttoned on to two brown bone buttons, placed immediately behind the corners of the peak, with the badge in front. Such caps will be worn straight on the head.

We have heard a good deal about the feathers of the Rocky Mountain eagle, but the feathers which are to be worn with the service hat outshine these altogether. For example, I find that the staff are to have

Red and white cock's feathers drooping on left side of hat, measuring, when out of socket, from base of feathers to point, fourteen inches, six inches across widest part.

I find that in Queensland, South Australia, and Tasmania the officers are to wear emu feathers and regimental badge, but in Western Australia they are to use ostrich feathers and regimental badge. The field artillery are to wear a feather plume in their hats, with red and blue rosette and grenade. The Army Corps are to have "a chocolate ostrich plume, banded at base with chocolate vulture feathers." The height of the plume is to be seven inches. Let honorable members think of the hours of study which the Minister must have bestowed upon these regulations. Probably the whole Ministry were called upon to consider them, because the effort involved would surely be too great for any one man. I find again that the gorget button is to be "1 inch from the point." I might go on quoting page after page of these regulations.

MR. O'MALLEY.—Were they issued after the present Minister came into office?

MR. CONROY.—Yes.

MR. O'MALLEY.—I am astonished!

MR. CONROY.—They were published almost immediately after the Minister's celebrated declaration that he had provided for the national defences. A mind that could evolve a system like this could not accept a correction, and therefore I have not thought it necessary to protest. I felt, after reading these regulations, that it would be useless for me to attempt to protest against them, but I made up my mind to bring them prominently before

honorable members. I sympathize with the Minister for Defence. The reading of these details appears to have dumbfounded him, because, for the first time in his political life, I find him unable to make a reply. Apparently this is the first occasion on which these regulations have been brought under his notice. Turning again to the list, I find that a sash is to be worn. What would these men be without one? It is provided that the sash for the staff shall be—

Gold and crimson silk net, $2\frac{1}{4}$ inches wide; two crimson stripes $\frac{3}{4}$ inch wide, the rest gold; round loose gold bullion fringe tassels, with crimson threads, 9 inches long, round heads.

It is to be—

Fastened with buckles round the waist, the tassels hanging from the left side on the hip, the ends not to reach lower than the bottom of the skirt of the jacket.

Coming to the sash to be worn by the Director-General of Medical Services, we find that black silk net is to be substituted for crimson silk net, and that for light horse, other than lancers, a white silk net sash is to be worn not $2\frac{1}{4}$ inches wide but $2\frac{1}{2}$ inches in width. I wonder whether these men measure the width of their sashes as soon as they meet, in order to determine the company to which they belong. When the Director of the British Embassy, Colonel McCartney, went to China, he had to be particularly careful that he and his staff did not sit on chairs lower than that provided for the Emperor himself. If he had sat on a chair even an eighth of an inch lower than that occupied by the Emperor, it would have been accepted at once as proof of degradation of rank. The staff had to carry with them a pocket rule with which to measure their seats, and as an assertion of British authority, care was taken that none of the members of the Embassy used a chair lower than that occupied by the Emperor. Here it appears we have adopted the Chinese fashion. We provide not for a seat, but for a sash which is to be $2\frac{1}{4}$ inches wide in one case, but only $2\frac{1}{2}$ inches wide in another. The artillery are to wear a sash of golden silk net, $2\frac{1}{4}$ inches wide, with round loose golden silk fringe tassels, 9 inches long, round heads, and fastened as in the case of the staff sash. There are pages and pages of these regulations, and the list is only kept within nine or ten pages by such condensations as, for example—

ENGINEERS.—As for artillery, but with red and blue silk threads in tassels.

INFANTRY.—As for artillery, with dark green silk threads in tassels.

The Defence Act has been proclaimed; regulations under the Act have been approved, and the Ministry are so proud of their success that they have placed this list of regulations before us, and have asked us to approve of it. I confess that I have never had any strong regard for a military system. If we have to rely only upon paid men for our defence, we shall be in a poor position, for paid men have nothing to fight for. The best defence that a nation can have lies in the possession of a bold spirit by its people. I would give our men the arms necessary to enable them to show the possession of that bold spirit, but I would not call upon others to defend us. If a man's country is not worth defending, it is time for him to leave it and make room for others who will be prepared to fight for it. We should not condemn a man who is destitute of courage, because, after all, it is his misfortune; we can only hope that men of that stamp will quietly die away. Turning again to the Governor-General's speech, I find it is stated that—

A Conference of representatives of the Governments interested in the Pacific Cable will shortly be held in London for the purpose of considering its financial management, and the provisional agreement entered into between the Government of the Commonwealth and the Eastern Extension Telegraphic Company.

I believe that the Ministry will at least do me the justice of admitting that when they entered into the agreement with the Eastern Extension Telegraph Company, and set aside the opinions of the New Zealand and Canadian Governments, I declared in this House that they had been guilty of a gross outrage, that their action was distinctly against equity, that we were bound to consult the other parties to the agreement, and that to do anything else was to befool the fair name of the Commonwealth. I am glad to see that even at this late hour the Government have repented of their action, and are seeking now to repair the mischief which they then did. I do not say that we should not endeavour to make the best possible arrangements for an effective service; but when we cannot be forced to do something that we are asked to do, we ought to be most anxious to appear before the world as a people ready to observe, not only the letter, but the spirit of the law. No such anxiety was displayed by the Government in the case of the agreement entered into with the

Eastern Extension Company, and it is humiliating to think that the House did not condemn them for their action. Some of us did so, but although our protest was of no avail, I am pleased to think that the Government now recognise the force of our objections. We are told also in the Governor-General's speech that—

The removal of vexatious restrictions upon commercial intercourse between the States of the Commonwealth has received attention. It is hoped that Inter-State certificates upon the transfer of goods between New South Wales and Victoria will soon be dispensed with, or at least greatly modified.

I should like to know how long the Treasurer believes it will be necessary to continue the system of inter-State certificates. Were not accounts to be kept for only two years after the establishment of the Commonwealth Tariff? By the Tariff Act itself we declared that it should date from the 8th October, 1901, but, in my opinion, we had no power to make that provision. I feel satisfied that the High Court will decide that when we made the Act retrospective we did something that was entirely beyond our power—that the time at which the Act really came into existence, so far as the other purposes of the Constitution are concerned, was the date on which it received the Royal assent. Western Australia's special tariff will run five years from that date, and not from the date of the introduction of the Bill, which had then only the sanction of the Executive behind it. Every step in the direction indicated in this paragraph has my warm and hearty approval, because it is another move towards that free intercourse which we all so much desire. If the imposition of inter-State duties would make New South Wales, Victoria, and Queensland wealthy, and add to the industries of Western Australia and South Australia, why is it that the Federation, which was brought about for the well-being of the people, found it necessary to do away with them? By all means let these "vexatious restrictions" be continued, if they really add to the wealth of the community. But it is one of those inconsistencies from which the protectionists find it impossible to escape, that they have to admit that every step taken in the direction of freeing trade is really to the advantage of the people. It is set forth in His Excellency's speech that—

The consent of the Parliament of Western Australia has been given, and that of the Government of South Australia sought, for the construction of a railway to connect Western Australia with the Eastern States, and you will

be asked to make provision by Bill for a survey of the line.

I yield to no honorable member in my desire that a measure of the kind mentioned in this paragraph shall be considered by us at the proper time, and I should like to see the coming of that day expedited as much as possible; but while we are seeking to make provision for a line of this character, it is equally clear that we must either have the power to build other railways to connect it with the coast, or that those branch lines must be constructed by the States themselves. The transcontinental line must be tapped, for example, by a line running from Eucla, which must be part of the one general scheme. If the State itself does not construct it, we must retain the power to carry out the work ourselves.

Mr. CARPENTER.—Where does the honorable and learned member get that theory?

Mr. CONROY.—It is my own opinion of the situation. Then, again, we must have power to construct a line from Kalgoorlie to Esperance Bay or Israelite Bay, or otherwise the cost of the goods conveyed to the people there will be absolutely prohibitive.

Mr. CARPENTER.—Western Australia has the power to construct those lines.

Mr. CONROY.—I am aware of that; but we must take care either that she constructs them herself, or gives us the power to make them. The Commonwealth, before undertaking the construction of a transcontinental railway, involving an expenditure of about £4,000,000, should take power to construct at the same time connecting lines from at least two of the ports on the southern coast, as feeders to the main line. Otherwise the people will have to pay an enormous sum of money for a railway which it will be impossible to put to the best use.

Mr. FRAZER.—That would be a good thing for the Commonwealth, perhaps; but how about Western Australia?

Mr. CONROY.—If the traffic of the main line were increased by the construction of these feeders it would be a good thing for the Commonwealth, and as the States have now federated, a good thing for Western Australia, too. I cannot understand the contention that a thing may be good for the Commonwealth, and not for Western Australia or any other State, though I could understand the contention that it might be good for the Treasury of the Commonwealth, but not for the Treasury of Western Australia.

Mr. FRAZER.—That is what I meant.

Mr. CONROY.—What is good for the Commonwealth must be good for Western Australia, because it would do injury to the Commonwealth for harm to happen to Western Australia, or to any other State; but the Treasury of a State might be affected without harm being done to the Treasury of the Commonwealth.

Mr. CARPENTER.—Would the honorable and learned member make those feeders without the consent of the States concerned?

Mr. CONROY.—No. I would use every means possible to persuade the authorities of those States to construct such lines as I spoke of, and, if possible, would obtain from them the promise that they would be constructed, but if this were not given I would not construct the lines. I would leave it to them to choose the ports with which the feeders should connect. For instance, I believe that the surveyed route of the proposed transcontinental line lies about ninety miles to the north of Eucla, and apart from the traffic advantage, it would probably pay to construct a branch line from Eucla to the main line merely to provide for the transport of materials required for the construction of the main line, instead of taking everything from Port Augusta or Kalgoorlie. We are told in the speech that a Bill will be submitted for the purpose of creating the Inter-State Commission. I admit that the Constitution provides for the creation of the Inter-State Commission, just as it empowers this Parliament to create a good many other bodies; but I submit that it is not wise to create these bodies one after the other at the present time. The honorable member for Gippsland referred to the strong liking of the Minister for Trade and Customs for making appointments. If the honorable member is really sincere in what he said, I consider it his duty to vote against the adoption of the Address in Reply, in order to give effect to his opinions. Seeing that the Minister for Trade and Customs, in introducing this Bill, will be doing only what the Constitution provides for, there appears to be no need for such a vicious attack upon him. I am not in favour of the Bill; but I am forced to admit that the Constitution provides for the creation of the Inter-State Commission. Then we are told that the Government intend to introduce a short Bill to enable the Executive of the Commonwealth to assume the direct control of New Guinea. I can hardly conceive of a measure to which more attention should be

given by us than such a Bill, because it will provide for the government by the Commonwealth of nearly 250,000 black subjects, and will raise many problems for us to face. Is it proposed that the natives of New Guinea shall be allowed to freely enter the Commonwealth, and to accept employment here? I am afraid that once New Guinea becomes part of the Commonwealth, the High Court will decide that trade intercourse and commerce between it and the mainland must be absolutely free.

Mr. WATSON.—But will New Guinea become part of the Commonwealth?

Mr. CONROY.—If it does not, I think it will be injurious to our interests to take control of the British possession there. I look forward with dismay and apprehension to the possibility of the creation of what in time may become a serious racial difficulty. In the Southern States of America there are now nearly 13,000,000 negroes, between whom and the whites the racial feeling is so strong that it is interfering with the administration of justice, and has brought about what is almost civil war in one part of the country. When the New Guinea Bill comes before us, we shall have to consider matters like these. Still, as the Bill is not to be introduced until "inquiry now being made is completed," I presume that it will not be submitted for our consideration during the present Parliament. I find, too, that it is intended to improve the steam-ship communication between Australia and the New Hebrides, the Gilbert and the Ellice Groups. The Postmaster-General recently pretended to rejoice at the position in which he found himself when the big English steam-ship companies refused to tender for the conveyance of mails to Great Britain, and told the country that it was a foolish thing to pay subsidies to mail steamers. Now, however, we find the Government proposing to subsidize a steam-ship service to these islands. We, on this side of the House, welcome everything that tends to the development of trade, and, as we believe that Australia must become the mistress of the Pacific, we rejoice that steps are to be taken which will tend to increase our influence there and add to our national wealth. I cannot understand the position of honorable members opposite, however, who at one time say that they think subsidies should not be given, and immediately afterwards propose to give subsidies to increase our trade with the Pacific, while they have retained duties upon importations from abroad which very seriously hamper that trade. But, of course, that is only another example of their inconsistency. We

are told in the speech that it is intended to examine the experience gained in the recent elections, with a view to the amendment of the Electoral Act. The members of the Opposition are willing that the Act should be amended, but we also are desirous that its main provisions shall be carried into effect. All parties in the House are aware of the serious discrepancy which now exists between the distribution of electors and representation. We cannot blame the new members of the House for the votes given by their predecessors last session, but the action taken then in refusing to ratify the distribution of electorates submitted by the Commissioners appointed by the Government will always remain as a monument to record what to my mind was the very worst thing ever done within this chamber. If we destroy the purity of representation, we weaken the strength of the foundation upon which Parliament rests. We are also promised bills to regulate copyright, and relating to trades marks and merchandise, which, of course, will be complementary to the Patents Act. I have no objection to those measures, though I do not think that there will be time to pass them during this session. If only half of the programme submitted in the Governor-General's speech is carried out, we shall do well. Of course, if the House were divided into committees, and the legislation of the session distributed among them, we could get more Bills through, but they would not be the enactments of a representative Assembly. I cannot too strongly urge the Government not to sit more than three days a week. If we sit more frequently it will be impossible for honorable members to thoroughly consider the measures presented to them. The Electoral Bill was brought before us at a time when we were hurrying and rushing through other legislation, so that I had only a couple of days to give to its consideration. I was able to show, however, that it was framed upon half-a-dozen different principles, and that its provisions conflicted to such an extent that it required to be practically re-drafted. I felt that, if passed into law, it would certainly be a failure, and I said that I washed my hands of all responsibility in regard to it.

Mr. ROBINSON. — The High Court knocked the stuffing out of it this morning.

Mr. CONROY.—Yes. I was told that there were plenty of other honorable members who were ready to undertake the work of dealing with the measure, and my reply was that if I, who am able to work twelve

or fourteen hours a day, could not find the time necessary to thoroughly consider it, other members could not do so either. I have experienced the melancholy satisfaction of finding that I was quite right in the strictures which I passed upon the Bill when it was before us. If we follow a similar course this session, we cannot look with any confidence for sound legislation. As a legislative body we cannot proceed any faster than the slowest of our individual members. We are maintaining a rate of speed in our work, with which no man can keep pace. There is not one of our Acts through which a coach and four could not be driven, and it is highly desirable that we should change our methods. It must be borne in mind that the mistakes we make bear most heavily on the poorer classes of the community, because they are frequently unable to afford the expense that would be involved in correcting them. Therefore, we should be most careful to avoid inflicting disabilities upon them. There is a mixture of good and evil in everything. The old fight between what the Persians of old called Ormuzd and Ahriman, in other words, between good and evil, is still going on, and there is an admixture of both good and evil in all our legislation. The more we examine what has been done in the past, the more clearly must we see that legislation has seldom been attended by the results expected. I believe that, unless legislation recognises great moral principles it will never come up to the anticipation of those who pass it. We should never do evil in the expectation of good results. Good never does result from evil, and the history of legislation shows that any departure from great moral principles always involves some evil. If we try to correct a great evil by substituting what we regard as a lesser one, the results will still be disastrous, and, I believe, that only when a thing is morally right, does it become financially and politically right. We are told, in the Governor-General's speech, that it is intended to introduce Bills to regulate copyrights, and to deal with trade marks and other similar matters. These proposals may be very good in themselves, and will no doubt have to be considered in due time, but I hope that we shall not be asked to deal with them during the coming session. It will be physically impossible for honorable members to attend to the amount of work mapped out by the Government. It is not for nothing that the Judges and barristers in the Law Courts

Mr. Conroy.

have regular vacations. They would be anxious to get on with the work of the Courts if they could. But the experience of hundreds of years has shown them that mental work involved in arriving at just decisions upon matters involving intricate points of law, imposes so serious a strain on the brain that those engaged in the work are absolutely unable to carry it on in the same way as if it were merely physical labour. It must be remembered that the reasoning power which we are now able to exercise is the result of one of the most wonderful developments of the human mind. So far as our physical nature is concerned, we are called upon only to exercise our muscles, and can perform work to the extent to which our muscles respond to the calls made upon them. But it has been found impossible for the mind to keep pace with the body. We must not, as a legislative body, place ourselves entirely in the hands of the parliamentary draftsman, Parliament is practically a committee of the public, intrusted with very extensive powers, and capable of enforcing its advice by the aid of civil and military forces. I am sorry to say that Parliament is rather too ready to give such advice. Its powers should be more discreetly exercised. I had hoped that the Government would at least have devoted some attention to the question of the allowance made to honorable members. The experience of last Parliament taught us that the allowance ought either to be abolished or considerably increased. The allowances made to members of the State Parliament may be quite sufficient, because the members of those legislative bodies are able to engage in their ordinary avocation at times when Parliament is not sitting. Honorable members of this House are, however, placed in a different position. The representatives of such distant States as Queensland, Western Australia, and Tasmania are absolutely compelled to give up their private businesses for the time being, and therefore the allowance which is now made must be regarded as entirely inadequate for them. At the time that the Constitution was framed it was foreseen that the allowance provided might be found insufficient. Therefore it was fixed at £400 per annum until Parliament otherwise provided.

Mr. SKENE.—Parliament might decide that the allowance should be reduced instead of being increased.

Mr. CONROY.—Quite so; but I contend that the time has come for a revision.

Mr. LIDDELL.—In what direction?

Mr. CONROY.—In the direction of increasing the allowance. I was not sure at one time that payment of members would not lead to the introduction of a class of agitators who would be much more concerned in stirring up the people than in studying the best interests of the Commonwealth. But the experiment has withstood the test of experience. We must presume that the representatives in this Parliament are fairly distinguished in certain walks of life, and that they represent the best intelligence of the community. If that be the case, the allowance is quite inadequate. It must be admitted, also, that present conditions do not permit of full and free competition for the representation of the people in Parliament. Many professional men are under present conditions precluded from taking up a legislative career. In this connexion, I might point out that the ranks of professional men are recruited from the labouring classes as well as from other sections of the community. If we went through our universities we should find that the greater number of our professional men had fathers who earned their living by their daily labour. The reason why more of these men do not seek to enter Parliament is that the allowance provided for representatives of the people is inadequate. How much of it is consumed in electioneering expenses alone?

Mr. McLEAN.—One hundred pounds.

Mr. CONROY.—I trust that the honorable member for Gippsland was able to secure his re-election for that sum. I know that, in order to avoid exceeding the limit which was imposed under the Electoral Act, I had to abandon my intention to visit certain portions of my electorate, because not for a dozen seats in Parliament would I place my name to a false declaration. I should have felt that I was debasing my manhood by so doing. Taking into account the cost of their election, the demands which are made upon honorable members, and the expenses which are incurred by them, especially by representatives who come from other States, I am unable to see how they can possibly retain even £150 of their parliamentary allowance. I know that I sat here throughout the whole of the first Parliament, and was never able to overtake my expenses. The honorable member for South Sydney and two or three others occupied a similar position. I do not object to that

state of things. If there were no parliamentary allowance whatever, I think that I should still remain in politics; but if the allowance is to be considered as payment for our services, I hold that it is utterly inadequate. I wish to see such an allowance offered as will insure competition for seats in this Legislature. At the recent elections, in New South Wales we could not induce men of the professional class to offer themselves as candidates—men who by their intellectual work had shown that they were fitted to take part in the deliberations of Parliament. The same difficulty, I know, was experienced in Western Australia and Queensland. Where is there a man mentally fitted to take part in the legislative work of the community who would regard the present allowance as adequate? Men of that type, when approached upon the matter, usually reply: "I should like to enter parliamentary life very much, but I cannot afford to do so." The conditions which are applicable to the States Parliaments are very different from those surrounding the Commonwealth Legislature. If the members of the Labour Party are all worthy of a seat in Parliament I should like to witness competition amongst them. This is no new matter with me. Some two and a half years ago, when the question arose as to whether Ministers should be permitted to draw their allowance as representatives, in addition to the salaries attached to their portfolios, I declared that their remuneration was far too small. I repeat that statement now, although I do not say that it has not been infinitely too large for the members of the present Ministry. If, however, the people choose to elect those who are unfitted to occupy such high offices, that is their affair. Our duty is to see that an adequate allowance is provided. The work of a true parliamentarian does not consist merely in discussing the measures which are submitted for consideration. I could name at least three members of the Labour Party whom I met during the recess, and whom I found engaged in reading works which reflected the greatest credit upon them. Were they not fitting themselves to receive an adequate remuneration? Of course all my remarks are based upon the assumption that there should be some parliamentary allowance. Honorable members evidence their belief in that principle by accepting the allowance. If I thought that the principle was not a right one, I should refuse to accept my payment.

Sir JOHN FORREST.—The honorable and learned member is not much in favour of it.

Mr. CONROY.—I am in favour of it. It is a subject which honorable members must consider for themselves. Let me point to the Bank of New South Wales as an example. I suppose that that institution has at least a couple of hundred officers, to whom it pays far larger salaries than the whole community pays to the members of this Parliament. If capitalistic institutions find that it is to their interest to pay substantial salaries to their officers, surely it is in the interests of the Commonwealth that a substantial sum should be paid to members of this Parliament. If we take the average duration of the political life of men in Australia—

Mr. MAHON.—They take a lot of killing.

Mr. CONROY.—The extraordinary feature is that very few of them average a political life of ten years. I am bound to say that, so far, in spite of many temptations, we know of no instances of men growing wealthy by the prostitution of their political principles. That is a wonderful tribute to their strength of principle. Let honorable members recall the occasion when the Tariff was under discussion. One of the most marvellous features in connexion with that period was that no one could place his finger upon any instance of corruption. I am bound to say that some of the lobbying which was indulged in was positively disgraceful, and it afforded me intense pleasure to find that in most cases where direct lobbying had come under the notice of honorable members, instead of the duties being raised, they were lowered. Any one engaged in certain industries could make it well worth the while of Ministers and honorable members generally to impose heavy duties on certain articles. But I do not know that Ministers or honorable members generally are making a great display of carriage; I do not know that they are making thousands of pounds as members of Parliament, although it is perfectly clear that because of certain mistaken notions which some honorable members entertain they have allowed many manufacturers to dip their hands into the public purse. The Government should have taken care to provide an adequate allowance for honorable members. I expressed this opinion when I was before the electors, and

I shall continue to give utterance to it, although whether any alteration will be made is quite a different matter. We have now realized that what might be regarded as an adequate allowance in the case of a representative of Victoria is entirely inadequate in the case of an honorable member who has to come here from another State, who has to incur the expense of travelling to and fro, and bear the cost of keeping himself here, as well as of maintaining his home in another part of the Commonwealth.

Mr. O'MALLEY.—The present allowance is not even sufficient for an honorable member representing a Victorian constituency.

Mr. CONROY.—I agree with the honorable member. I do not see how it would be possible to discriminate; but if we could do so, we should certainly discriminate in the favouring of honorable members representing other States. Another remarkable feature of the Governor-General's speech is the intimation that the Government propose to introduce a Bill dealing with rings and trusts.

Mr. KINGSTON.—It will be the old Bill—at all events it bears the same title.

Mr. CONROY.—Perhaps so. What is responsible for the formation of rings and trusts? I reply unhesitatingly that the imposition of Customs duties to the inordinate extent to which they have been placed on the people of Australia has already led to the creation of trusts. When the tobacco duties were under the consideration of the House I and other honorable members pointed out that the proposed margin between the Customs and Excise duties on this commodity would put a profit of from £180,000 to £200,000 a year into the pockets of certain manufacturers in Australia. The suggestion was ridiculed by many honorable members who had not considered the matter carefully, and they were misled into making an enormous difference between the Customs and Excise duties, and this has resulted in private persons appropriating large sums which should rightly have gone into the Treasury. In defence of the attitude which I then took up, I would mention that about a fortnight ago I learned that the various tobacco manufacturers had amalgamated. Messrs. H. O. Wills and Co., the States Tobacco Co., Cameron and Co., Dixon and Co., Kronheimer and Co., and some other firm, have formed themselves into one body. A trust has been formed, and it is anticipated that a profit of about £150,000

will be divided as the result of the year's operations. Last year one firm alone made a net profit of £80,000. I am not blaming these gentlemen. They have a perfect right to conduct their business as they think best. As a private individual, I might say to them—"The law permits and encourages you to do certain things, and you ought to go on and prosper." They have prospered, and they will make larger profits from their business than honorable members on the Government side of the House ever imagined possible. If honorable members opposite had recognised that, as the result of the wide margin allowed between Customs and Excise duties on tobacco, such large profits would be made in this business, I am sure that they would have supported honorable members of the Opposition, who declared that no one should be allowed to dip his hands into the coffers of the Treasury; that manufacturers should depend for their livelihood, not upon the plundering of others, but upon the fruits of their own labour.

Sir JOHN FORREST.—"Plundering" is rather a hard word to use.

Mr. CONROY.—What term would the right honorable gentleman have me employ? I might describe it as "legalized taking," but the fact that it is legalized does not prevent it from being rightly described as plunder.

Sir JOHN FORREST.—It is only profit.

Mr. CONROY.—We have no right to compel other men to contribute to such profits.

Mr. FOWLER.—The Minister does not smoke.

Mr. CONROY.—That is all the more reason why he should not have assisted in compelling others to give to a fund to which he himself does not contribute. A ring has also been formed in the jam-making trade. Every tin of jam that one sees in Australia is practically under the domination of the one trust.

Mr. McDONALD.—Then there is the sugar monopoly.

Mr. CONROY.—I do not propose to deal with that monopoly, although it is probably one of the worst. Some of the jam manufacturers did not ask for the imposition of duties on imported jams, and they are fully entitled to take what the law gives them in this respect. They are entitled to carry on their business in their own way; but what right have we to insist that there shall be guaranteed to them a profit that we cannot grant to the rest of the community. Can

we guarantee to every man out of work a right at all times, to the interest on his labour? Can we, by any Act of Parliament, give a man at all times the right of employment? If we cannot give to the worker the right of employment—or, in other words, if right, at all times, to the interest on his capital—what right have we to say to the moneyed man—"What we cannot grant to the poor we will grant to you, although you do not need it. We will take from the one the little he has and give to the man who hath much." To what an extent has the policy of the Government been based on those lines, and to what extent do the members of the Ministry disgrace the name of statesman when they adopt such a system? What can be said of honorable members who profess to come here as the representatives of labour when they allow such a state of affairs to continue? Can they expect the support of men who, like myself, say that they represent not organized, but unorganized labour, and fight the more strenuously for that unorganized labour because it has no direct voice in this House? How many unionists are there in Australia? We know that there are about one in every eight of the population. The Labour Party seeks to represent only the organized interests; but what about the unorganized interests? What about the men who lie helpless under our laws—who cannot fight against them because they have not the means at their disposal? Are they not to be considered? It makes one's blood boil to think that we have honorable members usurping to themselves the name of representatives of Labour who yet assert that, because a man has not joined an organization—has not come under a certain form of rules—he is not to be considered a labourer. What is to be thought of those who assert that because a minority—an organized minority, it is true—has obtained representation in this House, the great mass of the people are not entitled to direct representation? Is that the way in which to improve the conditions of the community? What is the object of the Conciliation and Arbitration Bill? What will it provide? Will it not declare that the man who does not come into line with these organizations, who will not yield up his right to sell his labour where he thinks best, shall be thrust aside?

Mr. FOWLER.—What about the union of the honorable and learned member's profession?

Mr. CONROY.—Two wrongs do not make a right. The course pursued in my profession may be absolutely wrong. I believe that it is; but no man should be permitted to represent himself as the master of a profession when he has not undertaken the study necessary to qualify himself for it.

Mr. JOSEPH COOK.—To which profession does the honorable and learned member refer?

Mr. CONROY.—It is true that I am a member of two professions, and I think that if a man is entitled to receive credit for his labour I am; but I have never belonged to a union.

Mr. O'MALLEY.—The honorable and learned member belongs to the strongest union in Australia.

Mr. CONROY.—Does the honorable member think that I have ever yielded to the dictates of leaders? I have never done so. Honorable members of the Labour Party will probably say that I am not a Labour man, and yet at one time I worked for seventeen, eighteen, and nineteen hours a day in order to raise myself above the condition of life in which I was placed.

Mr. HUTCHISON.—But the honorable and learned member is a unionist.

Mr. CONROY.—I would tell the honorable member that I have worked fifteen and sixteen hours a day with an axe, and at the close of my day's labours sat down to study. Nevertheless it is said that I have no sympathy with Labour. Can I not enter into the feelings of a man who is anxious to obtain work but cannot find it? I have accepted as little as 10s. a week in return for my labour, and it would be impossible to find a man possessed of a more fiery spirit than I had when I was anxious for work and could not always obtain it. Would it have been possible in such circumstances to find a man with stronger feelings of revolt in his heart against the laws which I believed kept down the masses? Because the Labour Party represent one man out of eight, and will not give any consideration to others, am I to be shut out? Is it to be said that I do not belong to the representatives of Labour? Those who say so speak what is not true. There are thousands who, like me, seek for an alteration of the law, not in the direction of enabling one class to plunder another, but to secure simple justice for all. We do not believe that the exaltation of any one class can lead to the exaltation of the community generally. It is only by improving the conditions of all—

unionists and non-unionists alike—that it is possible to secure that elevation of the community which alone can bring about true prosperity. We have men on this side who, like myself, have always worked in some way or other for their daily bread, and are we to be considered as other than Labour men? Are we to be regarded as a class shut out from the great bulk of humanity? God forbid!

Mr. McDONALD.—We will take the honorable and learned member into our party next week.

Mr. CONROY.—But for the fact that the Labour Party holds caucuses, I should have been with them long ago. I differ from them, not in regard to their aims, but in regard to their methods. I would give no consideration to any man who would take upon himself the right to determine what course of action I should pursue. I seek to represent, not the opinions of a section of the people, but the interests of the great masses of the community. For what other reason do we give ourselves to the study of such works as come within our ken but that we may be able, as far as God has given us strength, to do our best in the legislative work of the community?

Mr. CARPENTER (Fremantle).—I am afraid that my contribution to the debate will appear somewhat tame in comparison with the very interesting performance of the honorable and learned member for Werriwa. May I commence by saying, in acknowledgment of the incidental lectures which the Labour Party received from him during his somewhat lengthy speech, that we are always glad to obtain advice from our friends, though of late we have had so much advice from friends and opponents that it has become difficult at times to distinguish one from the other. However mistaken we may consider the views of the honorable and learned member, we are sure that his utterances were sincere, and that, if he understood the position, the aims, and the aspirations of the Labour Party, he would have omitted a great deal of what he has just said. He has assured the House that he has of late been reading in certain directions. May I suggest that he should continue in that course. I believe that there is hope for him if he will take the trouble to read some of the statements which we have written about ourselves, in preference to those which our opponents have written of us. I listened with extreme interest to the utterances of the leader of the Opposition, especially in regard to the fiscal

question, of which so much was heard during last Parliament. We have been assured that that question has been disposed of, and the right honorable gentleman himself told us that he was prepared to enter into an armed truce in regard to it. But no sooner had he done so, and left for his home, than those who are supposed to be his followers broke out into what appears to be open rebellion.

Mr. WILKS.—That shows the freedom allowed on this side of the chamber. There is no caucus-driving here.

Mr. CARPENTER.—Then may I offer the members of the Opposition a word of advice? I am sure that they will agree that no other system of Government is possible in Australia than what is known as the party system, and I suggest that for a party to be successful there must be loyalty among its members to each other, and, above all, to their leader.

Mr. WILKS.—There is loyalty to principle upon this side of the chamber.

Mr. CONROY.—That comes first.

Mr. CARPENTER.—Loyalty to principle is implied. It is understood that when a member joins a political party he does so because he believes in the principles which bind that party together, and the leader of the party must stand for the embodiment of those principles. If the leader of the Opposition spoke on behalf of his party, as I believe he intended to do, I do not wonder that he begins to tire of his position when a day or two afterwards he finds them rebelling.

Mr. JOHNSON.—There is no rebellion. He gave us a free hand.

Mr. CARPENTER.—Then I cannot understand the position. I do not wish to speak in a party spirit, and I hope that what I say to-night will be taken as coming from one who is sincere, and who has no wish to provoke bitterness. I admit that sometimes I say things which I would rather not have taken literally.

Mr. WILKS.—We all have that weakness.

Mr. CARPENTER.—I believe that we have, and it is well that it should be understood that sometimes we do not mean quite what we say. The criticism to which the Labour Party has been subjected during this debate is due partly to a misunderstanding of the basis of the party's organization. I do not intend to enter upon a defence of its actions or of its principles, because I do not think it is necessary to do so upon this occasion; but if those who oppose us would try to understand the foundation upon which the

party is built they would learn something which, if applied, would conduce to their own prosperity and success. When the result of the recent elections became known, I, in common with other honorable members, no doubt, anticipated with considerable interest the meeting of a House in which there would be three parties of almost equal strength. I heard the comments of public men of considerable experience in political life, as to the impossibility of legislation being carried on by an assembly so constituted. Indeed, the Prime Minister, at a banquet recently held in Melbourne, referred to the difficulty of carrying on business in a House where a majority could not be obtained for any one party, and stated that responsible government would be impossible unless there were some form of coalition between two of the three parties. But the position in which we find ourselves is only a repetition of what has repeatedly occurred in the Parliaments of the States. The right honorable member for Adelaide, whose political generalship I acknowledged for some years, was in office as Premier of South Australia for more than six years, during which time he did excellent work for the State and for the cause of democracy. But I think I am correct in stating that he never had a majority of pledged Government supporters. It was always a House of three parties. What, then, was the secret of his success? It was that, in spite of what might be called the mechanical lines which separated the three parties, there were live principles which forced members together. It does not matter how many parties there are in an assembly; everything must depend upon the principles for which those parties stand. I shall not anticipate what may happen in this Chamber, but I am quite sure that a majority of honorable members, whatever their party, will, if they respect, as I believe they do, the general democratic sentiments of the electors, find a way out of any difficulties that may be caused by the existence of three parties here.

Mr. JOSEPH COOK.—The Government party must be holding a caucus now, judging by the emptiness of the Ministerial benches.

Mr. CARPENTER.—They are represented by the Minister for Trade and Customs. It must have been gratifying to the Prime Minister, who applied to the position of parties in this House the simile of three cricket elevens, to have

the assurance of the leader of the Opposition that when the first test match comes to be played his eleven will help the Government. After that declaration from the gentleman who is supposed to be his keenest opponent, the Prime Minister must feel that the situation is not impossible. A good deal has been said during the debate about the responsibility of honorable members. It has been contended that the members of the third party, as the Labour Party has been called, have no responsibility. I cannot understand what is meant by that statement. I hold that every member of the House, to whatever party he may belong, is responsible for the legislation enacted here, and for the administration of the Government of the day. Would any member of the Opposition try to shelter himself at election times behind the plea that he was not responsible for something done by the Government? Would not the natural retort of the electors be—"You were sent into Parliament to see that the Government did not do anything outrageously bad, but that they acted in the best interests of the mother country?" What is true of the members of the Opposition is true of the members of the Labour Party. We are all equally responsible for what may be done in this House, and, to a less degree, for the administration of the Government during the recess. Honorable members who sit behind the Ministry bear no greater responsibility than those who occupy positions opposite. They may ally themselves with the Government at election time; but as soon as the Ministry do anything of which they do not approve, that alliance comes to an end, and they are free to join with the Opposition in visiting punishment upon the offenders. We have been told that a crisis is approaching. I do not know whether it will be quite so serious as some honorable members would have us believe—particularly after the very kindly overtures which have been made by the leader of the Opposition. I am glad to hear that the crisis, if it does occur, will not involve a principle of vital importance to the democratic and progressive members of this House. I am aware that the Government claim that by their action in reference to the proposal that States employes shall be brought within the provisions of the Conciliation and Arbitration Bill, they are upholding States rights. I do not consider that they have very solid ground for adopting that attitude. I am an upholder of States rights; but I do not admit that by adopting the proposal referred to, we

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should invade States rights in any way whatever. The Minister for Home Affairs recently told a large meeting at Perth that the extension of the provisions of the Conciliation and Arbitration Bill to States servants would involve an interference with States rights, but he did not favour his audience with any proof of his statement.

Sir JOHN FORREST.—I issued a manifesto in which I made a plain statement of the matter.

Mr. CARPENTER.—The Minister said plainly enough that States rights would be interfered with, but he made no attempt to prove his statement. The same remark applies to the speech of the Minister who introduced the measure in the last Parliament. I read that speech with close attention, and all that it contained upon this point was a timid expression of opinion that in including States servants within the scope of the Bill, we might bring ourselves into conflict with the doctrine of States rights. Upon that statement the press have based the whole of their objections. No arguments have yet been brought forward that would serve to convince even the most moderate objector that the proposal would involve any invasion of States rights, and I believe that the objections raised are to a very large extent due to recent events in Victoria. I desire to say a few words on the subject of immigration. Too much is now being made of what I regard as only a temporary stagnation in our population. During the last five years the events in South Africa have tended to greatly interfere with the stream of immigration into Australia. We have sent away to that country some thousands of the flower of our own people, of whom many have remained away. Since the war, also, hundreds and thousands of other men have flocked to that part of the world. I believe that the reaction is now setting in, and that hundreds of those who left are returning to Australia. We shall be glad to welcome them back.

Mr. DEAKIN.—What the honorable member says applies more to Western Australia than to any other State.

Mr. CARPENTER.—I do not know whether that is so or not. I know that we have gained immigrants from the other States to a greater extent than has any other part of Australia. The question is, what can Australia do, more than at present, in order to induce immigrants to come here from the old land?

Mr. DEAKIN.—If we could all give immigrants the same inducements in connexion

with land settlement that Western Australia is offering, the results would be very different.

Mr. CARPENTER.—I was about to remark that if all the States could do what is now being done in Western Australia, we should have no reason to reproach ourselves with failing to offer every inducement to immigrants to settle here. According to the last official report of the Minister for Lands in that State, it appears that during the last twelve months 1,100 families have been settled upon the land. There is plenty of land available there yet—good virgin soil, capable of producing abundant crops. The average return from the wheat crops, according to last year's statistics, was thirteen bushels per acre. We have a sufficient rainfall, a perfect climate, we are free from land or income taxes, and in addition to that we give assisted passages to certain classes of immigrants. Whilst all this is being done in any part of Australia, we cannot be charged with neglecting our duty, so far as holding out inducements to immigrants is concerned. All that can be expected of us as a Parliament is to advertise our resources, and then look to the State Parliaments to make available land on which people can settle if they come here. A few days ago I joined my colleagues from Western Australia in forming a deputation to the head of the Government to request that, owing to her peculiar conditions, Western Australia should receive special consideration when certain proposals in the Navigation Bill are submitted to the House. The honorable member for Grey, when addressing the House recently, spoke rather warmly of our action, and the right honorable and learned member for Adelaide interjected that what we asked for was grossly unfair. Neither I nor my colleagues admit that anything that we asked for deserves to be so characterized. This is not the time at which to enter upon a lengthy discussion of the matter, but I desire honorable members to avoid being prejudiced by any remarks which have fallen from the honorable members referred to. The objections raised by the representatives of South Australia, although ostensibly in the interests of the seamen, have something more behind them. I do not yield to any one in my desire to conserve the interests of our seamen. I am prepared to go as far, and to do as much, as any one to protect the men who are engaged in a precarious and dangerous calling, and to make their conditions as comfortable as possible by legislation. I think,

however, that I am now only doing my duty when I call the attention of honorable members to the fact that there is an object behind the proposal which, although it has not been mentioned, is well understood. It is an attempt—and I speak advisedly—on the part of some honorable members to aggrandize the chief port of one State at the expense of the ports of another State.

Mr. HUTCHISON.—I represent that port, and I have never heard a word about it.

Mr. CARPENTER.—I am surprised at that. I do not intend to come into conflict with my honorable friend. We have sat together in another place for many years, and in spite of differences we have always been the best of friends. I am sure that that state of affairs will continue. My honorable friend is now representing the chief port of one State, whilst I represent the chief port of Western Australia. I am sure he will admit that I am merely performing my duty by pointing out what I regard as an attempt, under the guise of legislation in the interests of the seamen, to deprive the ports, not only of one, but of several States, of the trade which legitimately belongs to them. When the matter comes before the House, I am convinced that honorable members of all parties will see that no injustice is done to any one State as against another. I was very pleased, indeed, to hear the sympathetic way in which the honorable member for Franklin spoke last night. He realizes, perhaps, as some honorable members cannot realize, the peculiar position of Western Australia. Like Tasmania, that State is practically cut off from rapid communication with the rest of the continent. Indeed, her position is infinitely worse than that of Tasmania. I think it was the Federal Treasurer who stated at St. Kilda during the recent election campaign that up to the present time the people of Western Australia had derived no advantage whatever from federation. He pointed out that they occupy exactly the same position as do the population of New Zealand, inasmuch as they are cut off from the rest of Australia by 1,200 miles of sea. I am sure that the honorable member for Franklin echoed the sentiments of all Tasmanians when he declared that such States ought to receive at least sympathetic consideration when any legislation is submitted which may have the effect of interfering with their present means of communication. I believe that the other members of the House will take that reasonable view of this

question, and will see that no obstacle is placed in the way of their development, as the result of legislation, the effect of which, although the object may be a very worthy one, may be to do great mischief in another direction. I cannot resume my seat without saying a few words upon a topic which is ever uppermost in the minds of Western Australian representatives. I refer to the transcontinental railway. I am glad that the Government have included a reference to that project in the Governor-General's Speech, and that they are pledged to seek the sanction of the House in providing a certain sum, which is to be devoted towards a survey of the route. I am perfectly certain that when the time comes to discuss that matter we shall be able to convince the reasonable members of this House that Western Australia has, at least, a right to expect this first step to be taken in that great project upon which her future prosperity so much depends. If I thought that anything which I could say now would assist the project, I should continue my remarks. I feel certain, however, that honorable members will keep an open mind upon the subject, and that when the Bill is introduced they will do that justice to Western Australia which her position demands. Before concluding, I desire to make a few observations in reference to the last Parliament. I watched its opening and its work, particularly during the first session—a session unparalleled in the history of Australian Legislatures—with very keen interest. I confess that I was disposed to be somewhat critical, because I shared, to some extent, the feeling of hostility which existed then, and which still exists, between members of the States Parliaments and representatives of this Parliament. As time went on, however, I saw the nature of the work which the Federal Parliament had to perform, and the application which was necessary on the part of honorable members to solve the very difficult problems with which they were confronted. When I saw them sitting month after month at the sacrifice of their own comfort, their business, and sometimes their health, I felt convinced that, altogether irrespective of what opinions may have been previously formed, there was no need to feel ashamed of the work of that Parliament. The reaction which set in soon after the accomplishment of Federation, and which is evident to-day, would have caused any serious mistake which might have been made to be eagerly seized upon by the opponents of union. The fact

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that it has received only the ordinary criticism to which Parliaments are subjected at the hands of the press and the public, is conclusive evidence that the people of Australia are satisfied with its work. That work, both as to quality and quantity, was such that no legislative body need be ashamed of it. I trust that the labours of this Parliament will be equally productive of good. If they are, I am sure that we shall commend ourselves to the people of Australia.

Mr. LONSDALE (New England).—I was an opponent of the Constitution under which we federated, as the Minister for Trade and Customs is well aware. I opposed it because of the principle of State rights to which it gives so much prominence, and because I realized that we were asked to federate under a provincial Bill, and not under a national one. Its main purpose, it seems to me, is to raise revenue, to accept all the responsibility for so doing, and then to hand over that revenue to be spent by irresponsible bodies. Consequently, I fought the Bill with all the strength which I possessed, and as a result I was defeated in my own constituency. Our experience of Federation, however, has been such that if the people of New South Wales had to vote upon the question to-morrow, the Constitution would be rejected by a majority of ten to one. However, we have federated, and it behoves us, therefore, to do the best we can for the people whom we represent, and to pay regard to the nation as a whole. I know that that is not easy. I realize that it is extremely difficult to destroy the provincial spirit which to a large extent has been created by the Constitution itself. In New South Wales there never was such a strong feeling against the other States as there is to-day. There, the spirit of antagonism has grown and has been intensified since the accomplishment of Federation, by reason of the course which has been taken. Quite recently the States Treasurers met in Conference in Melbourne, and practically decided in favour of the perpetuation of the Braddon section of the Constitution. Instead of seeking to improve our position, they adopted exactly an opposite course. In the Governor-General's speech I notice that reference is made to the question of the transfer of the States debts. The sooner we take them over to the extent of getting rid of the obligation to return any portion of the Customs revenue to the States, the better will

it be for the nation as a whole. I advocated that step in my first campaign for a seat in this House some three years ago. My friends advised me not to adopt that attitude. They urged that if I continued to do so, the electors would still regard me as an anti-Federalist. I acted upon their advice. To-day, however, anything which will have the effect of preventing the Commonwealth from raising money for the States will receive my hearty support. In that, however, I foresee many difficulties. The States will be constantly appealing to us to find them revenue to spend. That so much money has been returned by the Federation to New South Wales has proved a veritable curse to that State. Those who, like myself, were opposed to union, repeatedly assured the people that under Federation their taxation must be increased. Others who have now retired to the quiet of the judicial bench affirmed the opposite. To-day, however, the people of New South Wales recognise who told them the truth and who deceived them. The honorable member for Fremantle spoke of a want of loyalty on the part of free-trade members to their leader, because we have made interjections which indicate that we hold opinions of our own. Those who are responsible for the interjections in question have sat behind the leader of the Opposition before, and no more loyal followers ever existed. But in those days the present leader of the Opposition knew the independence of the men behind him. We would not follow any leader into a morass or difficulty, and the right honorable gentleman, if he were in power to-morrow, would find that his supporters would be just as independent as they were in the days that are past. In matters of principle we will be loyal to him and loyal to the country. Individually, he may choose what course he will take, and we individually will take good care to be true to the principles in which we believe. I listened with some degree of pleasure to the speech of the Prime Minister. I had heard him spoken of in New South Wales as the "silver-tongued" orator, and I was pleased with his utterances. At the same time, I do not agree with him, and I am not likely to. Indeed, I am afraid that I am one of those who can never be converted to the belief that we can legislate people into prosperity. The thing is utterly and ridiculously absurd. The prosperity and advantage of human beings depend to a large extent upon themselves, and no legis-

lation can accomplish these results for them. I stand here to-night the opponent to a large extent of restrictive legislation. I yield to no honorable member in my sympathy for humanity. I am in favour of giving the workers the highest remuneration for their labour. I have no sympathy with the idea that we must force wages down in order to produce cheaply. I contend that it is impossible to effectively fix the wages of workmen by Act of Parliament, and I fail to understand why the honorable and learned gentleman should have adopted such a proposal as this. No State in the Commonwealth has endeavoured as Victoria has done to legislate to that end. The Victorian Parliament has passed Factories Acts, providing for Wages Boards and various other measures, designed to make men prosperous by artificial means, but they have had to make amendment after amendment in those Acts, only to find that the object in view cannot be attained. Many men imagine that it is possible by printing a few lines on a piece of paper to alter human nature and vary the laws that govern production, but in that respect they make a most serious mistake. The Governor-General's speech sets forth that—

The reaping of bountiful harvests over the greater part of the Commonwealth revives the problem of insuring to the agriculturist a return which will repay his labours and encourage increased efforts.

How is this to be done? Do the Government propose to obtain for our farmers an increased price for their produce at the expense of the rest of the community? I presume that is what is suggested. Then the speech proceeds to make reference to the question of preferential trade, and to state that if we can secure it, it will give us "an immense and reliable market." Protection is mean, and this proposal is a piece of superlative meanness. Protection simply takes the money out of the pockets of one set of men and puts it in the pockets of others. It takes it out of the pockets of those who can ill afford to bear any burden, and gives it to those who are already rich. The proposal foreshadowed in this paragraph is superlatively mean, because it suggests a desire to take money out of the pockets of the masses of England and put it into the pockets of the farmers of the Commonwealth. Could there be a more selfish proposition?

Mr. STORRER.—It is better to do that than to allow their money to go to the foreigner.

Mr. LONSDALE.—Ten thousand times no. The honorable member says, in effect, that it is better to starve the poor of England than to allow the money to go to the foreigner. Are there men in the community with souls above pounds, shillings, and pence, who accept the position of the honorable member?

Mr. JOHNSON.—And this is the expression of their loyalty!

Mr. LONSDALE.—Is this loyalty? I am loyal to the King as the head of the nation—as the representative of the nation; but I am also loyal to the people. If loyalty to the King meant the starvation of the people I should not be loyal to the Throne. We do not give away anything to the foreigner. It is from the foreigner that Great Britain obtains a portion of her food supplies, and it is better that she should do so if, by drawing her supplies from us, her people would obtain less than they would otherwise do. The gentleman who has brought forward the preferential trade proposals is, of course, to be spoken of with bated breath. He stands amongst the great people of the world. He occupies a foremost position in the minds of the people. People everywhere look towards him, and one must say nothing but nice things of him. I, for one, have had the courage to criticise Mr. Chamberlain in terms which do not come within that definition, and I assert that when he entered upon his crusade he was either suffering from softening of the brain or was prepared to occupy a position that is not creditable to him. He commenced his crusade by pointing to the people of England, and declaring that they were failing in the race for trade—that from 1872 to 1902 the value of the trade of Great Britain had increased to the extent of only some £20,000,000, while its population had increased by some 30 per cent., and that it could not bear this increasing burden of population unless its trade expanded. That was the statement made by him in his Glasgow speech. It is true that, according to the returns that are available, the population of Great Britain between 1872 and 1902 increased by a little over 30 per cent.; but let me point out that 1872 was a boom year—that from 1870 to 1872 British trade increased, as the result of the Franco-German war, to the extent of some £60,000,000. Why did Mr. Chamberlain choose these years for the purposes of his

comparisons? Was he aware of the fact that I have just mentioned when he selected the year during which England's trade was booming for the purposes of a comparison with a year in which she had just emerged from a war as severe perhaps as any in which she had ever been engaged. He would have us believe that this is a proper comparison—

Mr. DEAKIN.—Mr. Chamberlain made a comparison with all the subsequent years, and showed that the result was the same.

Mr. LONSDALE.—The comparison does not show anything like the same result.

Mr. DEAKIN.—I beg the honorable member's pardon.

Mr. LONSDALE.—If the values which prevailed in 1872 had ruled in 1902 the value of British trade in the last-named year would have been £150,000,000 greater than it was. Great Britain's trade has enormously advanced, and the man who dares to say that it is decaying is either ignorant of the facts or is influenced by reasons which cannot be explained. Honorable members may take whatever estimate they please, they will find that my statement is correct. I shall mention one or two items in order to show how Great Britain's trade is affected by the question of values. In 1872 England imported 1,135,832,432 lbs. of raw cotton, the value of which was £42,720,000. In the same year the value of the cotton piece goods exported by England was £63,466,729, while the value of yarns exported by her was £16,607,426. In 1902 England imported 1,541,574,832 lbs. of cotton, or, in round figures, 400,000,000 lbs. more than in 1872, but the value of that importation was £8,529,000 less than that of the cotton imported in 1872. Then, again, the export of cotton piece goods in 1902 was nearly £2,000,000 in excess of the exports of 1872. Any one can understand that if the price of the raw material which England imported in 1902 had been the same as it was in 1872, the value of her export trade in cotton goods would have been immensely greater. An examination of the statistics from first to last shows that the seemingly small increase in England's trade is due really to the reductions in value which have taken place, and that, as a matter of fact, the actual bulk of her exports in 1902 was immensely larger. I do not desire to labour this question, but I trust that honorable members will see for themselves the true position in which

England's export trade stands. Mr. Chamberlain has also compared the trade of England with that of other countries, and has declared that in the race for trade she is drifting behind. Let me take the greatest country of all, the United States of America, and see how England stands in comparison with her. Strange to say, in making these comparisons, our protectionist friends always desire to deal with the figures relating to the export trade, and Mr. Chamberlain, although he does not admit that he is a protectionist, appears to be adopting the same system. Protectionists invariably tell us that the volume of a nation's export trade is the criterion of its prosperity — that the more a nation sells, and the less it receives in return, the richer it is. According to them, the more a nation exports, and the less it imports, the greater is its prosperity. Unfortunately, I cannot recognise the wisdom of that doctrine. If I part with my goods, and receive nothing in return, I find that I am so much the poorer; but, nevertheless, we have protectionists declaring that if a country's export trade is large, while its import trade is small, it must be growing rich. I wish honorable members to see that other nations cannot in any way compare with England, so far as their total trade is concerned; but in order to please the supporters of the Government, I shall deal, first of all, with the figures relating to exports. Last year America's exports were about equal in value to those of England. That, to many men, seems to be a proof that England's trade is not keeping pace with that of other countries; but, to me, it conveys no such impression. I find that the 40,000,000 on the one hand have the same trade as have the 80,000,000 people on the other. Per head of the population, England has exactly double the trade of the United States of America; and yet we are told that the trade of the old land is decaying. Honorable members are, doubtless, aware that the great bulk of the trade of the United States of America relates to agricultural productions — that it deals, for example, with live cattle, meat, mineral oils, and timber. Do honorable members imagine that England can compete with the United States of America in that respect? Is it possible for England to graze on her pasture lands as many cattle as America can run on her vast prairies? Is it possible for her to take out of mineral oil wells that she

does not possess the oil which America is able to send abroad? Is it possible that she should be able to take out of her forests the same quantity of timber that America can obtain? The answer must be, No. And if we exclude these sections of America's trade, we find that England is placing on the markets of the world four times the exports, per head of population, that the United States of America is sending forth. I wish honorable members to give this matter some consideration, and to say whether the figures I have quoted indicate any sign of decay on the part of the grand old land. England possesses no advantage over the United States of America. In order to secure this immense trade she has to levy tribute upon the whole world for her raw material. Last year she imported £34,191,000 worth of cotton — much of it coming from the United States of America — worked it up in her factories, and sent it abroad again to compete in America, and other parts of the world, with the products of other countries. "Our industry," they tell us, "is assailed; you can see that there has been a change in the trade. Away back in 1872 our iron and steel trade was not as much as it is today." But some £8,000,000 or £9,000,000 worth of our exports in that year were raw material. If honorable members will look at the statistics for the present time, they will see that the export of raw material from English ports has almost ceased, and that what is exported now is the finished article. Indeed, England imports raw material — bar iron, scrap iron, steel blooms, and so on — very largely. Last year she imported £5,000,000 worth of iron ore, which shows how largely she is dependent upon other countries, even for the raw material needed for the manufacture of steel. We have been told that the dumping of foreign goods is ruining England. To my view, that is a foolish statement. Honorable members wonder why England keeps her position. That position has come to her because of the freedom of her ports, because she says to the other peoples of the world — "Send us your goods; we are ready to admit them free of duty." By doing this, she has had at her command the products of other countries, and has gained an advantage which has placed her in her present unequalled position. To say that the dumping of foreign exports upon her shores has ruined her is absurd. My trouble is that people will not dump enough

into my home. I should be very pleased if they could dump everything for nothing. I would soon grow rich if that happened; but, as it is, I have always to pay for what I get. During the recent electoral campaign, I saw the statement published in the *Sydney Daily Telegraph* that one of the iron manufacturers had called together his men and told them that he would have to reduce their wages, because of the quantity of raw material being imported into England, and I saw that steel blooms could be purchased for less in England than in America. I admit that the state of affairs was a bad one for those who had to submit to a reduction of wages; but the raw material imported into England increased employment in very many other industries. The English ship-building industry stands in front of all others to-day, and will occupy that position so long as other countries keep sending into that country the steel and iron required for building ships. It is the foolishness of other nations that has helped England. Would it be surprising if America, with her population of 80,000,000 of people of the cutest intellect and the highest industry, and her magnificent resources, were doing a greater trade than that of a little country like England? Would it be a thing to be wondered at if they got in front in the race? It would not surprise me at all. But they have, by their restrictive legislation, kept themselves behind, and allowed the little land of freedom to forge ahead. The position of England in the markets of the world is an astounding one. The Prime Minister, speaking last week in this Chamber, said—

To our thoughts the doctrine of free imports is essentially distasteful, because it means to us as to some of its most outspoken advocates in the text books, a reduction of the conditions of life and labour to the irreducible minimum, an abolition of every consideration, than the power of the purse, coupled with a refusal to look beyond superficial cheapness.

I am sure that every free-trader desires that the living of the people employed in industries shall be of the best, and when the Prime Minister spoke of free-trade, or free importation, as he called it, to escape certain difficulties, bringing wages down to an irreducible minimum, he made an assertion that has never been proved, and, if I may be pardoned for using the term, employed a piece of pure claptrap. A few years ago I read in one of the Victorian factory reports that fifteen factories in Melbourne, employing 339 hands, were

paying their workpeople no wages at all. I do not think they could do much worse than that, unless they charged them for working.

Mr. DEAKIN.—Does the honorable member understand what those factories were?

Mr. LONSDALE.—Yes; I shall be perfectly fair. I do not think a man helps his cause by being unfair. I admit at once that they were dressmaking and millinery establishments.

Mr. DEAKIN.—And the employés were what are called improvers?

Mr. LONSDALE.—They must have been apprentices; but that is the irreducible minimum under protection.

Mr. DEAKIN.—It would be the irreducible minimum under any policy.

Mr. LONSDALE.—I am not saying that protection was responsible for that state of affairs. My point is that to say that protection keeps up wages is not correct. Protection never did and never will assist the workers.

Mr. DEAKIN.—The honorable member's other point was that legislation will not assist them; but by legislation we compelled those factories to pay their improvers.

Mr. LONSDALE.—The Inspector of Factories, in reporting upon this state of things, recommended that a minimum wage should be provided for to put an end to it, and a wage of 2s. 6d. per week was accordingly fixed upon. The Victorian Government did its level best to help these apprentices, but twelve months later the inspector reported again that the factories were still being carried on without these apprentices receiving anything. At the time I was fighting against the introduction of protection into New South Wales, and therefore I kept myself abreast of what was taking place here.

Mr. HUTCHISON.—The honorable member's statement only shows that the employers did not respect the law.

Mr. LONSDALE.—It shows how ineffective laws are to remedy these things. Employers under protection learn to be much smarter than they are under free-trade. So the employers of these persons said—"We cannot take you into our factories unless you pay us a premium." And when the apprentices replied that they could not pay a premium, they were told that they could pay it by instalments; that they would be given 2s. 6d. every Saturday night, which they must pay back on the following Monday morning. After that, the Victorian Government passed more

legislation to deal with the matter; but if the Prime Minister will read that legislation, and the reports of the inspectors upon its effects, he will find in it a text-book which will show him the utter impossibility of increasing wages by Act of Parliament. The honorable and learned gentleman no doubt will tell me that they did increase wages. I admit that they may have increased the wages of some of the employés who were retained, but, to counterbalance that, other employés were dismissed to starve.

Mr. DEAKIN.—That statement has been contradicted by the Inspector of Factories. Victorian legislation has raised the wages of thousands of employés, without leading to the dismissal of any.

Mr. LONSDALE.—I read the report of the inspector to-day. He says that there are still places in which men who find that they cannot do as much work as their fellows have agreed to sign for certain wages and to accept less.

Mr. HUTCHISON.—It is time that the State interfered to prevent employers from taking advantage of the necessities of their workmen.

Mr. LONSDALE.—Laws may alter conditions a little, but they only lead to the creation of other conditions which, in my opinion, are worse.

Sir WILLIAM LYNE.—What the honorable member complains of is being very largely done in New South Wales.

Mr. LONSDALE.—No.

Sir WILLIAM LYNE.—Yes. I could name places where it is done.

Mr. DEAKIN.—The sweating has been worse in Sydney than in Melbourne.

Mr. LONSDALE.—It could not be worse; but in any case the Government of New South Wales has not put its hands into the pockets of the people and pretended that it was making things better when it was really making them worse. Honorable members opposite pretend that protection helps the workers, but it does not. Wages are lower, and their purchasing power is less in protected Germany than in free-trade England. The advantages enjoyed by the people of Great Britain under free-trade are immensely greater than those at the command of the people of Germany. It is only necessary to go to Germany and see the people eating their black bread, and the poverty in which they live, to realize the difference between the two countries, and the advantages enjoyed by free-trade England.

Mr. ISAACS.—Was it not very much worse in Germany before protection was introduced there?

Mr. DEAKIN.—What has the honorable member to say about English pauperism?

Mr. LONSDALE.—English pauperism is not so great to-day as in years past. There is pauperism in Melbourne and Sydney, where there ought not to be any. Our people are crushed down into deeper poverty than they should be, because of the restrictive conditions under which we live. What has made the Social Democrats of Germany so strong?

Mr. DEAKIN.—Militarism.

Mr. LONSDALE.—Not only that, but the fact that the general community has been called upon to bear the burden of the bonuses granted to farmers and others, and because of the heavy duties placed upon foodstuffs. Every increase of Customs duties in Germany has led to an accession of power to the Social Democrats.

Mr. ISAACS.—How does the honorable member explain the fact that, according to Sir Henry Campbell-Bannerman, there are 12,000,000 persons in the United Kingdom who are on the verge of starvation.

Mr. LONSDALE.—First of all I do not believe it. How was that result arrived at? The plan adopted was to take the numbers of the poor in the slums of London to ascertain the proportion they bore to the population of that city, and to use that as a basis of calculation applied to the whole population of England. It was not arrived at by noting the facts disclosed in the returns of the Poor Law Boards, and therefore the estimate is utterly unreliable. The Prime Minister has referred to the fact that, so far as the free-trade party is concerned, conditions have altered since the time of Cobden, particularly in regard to sanitary and industrial legislation. Cobden was a free-trader, but he did not advocate free-trade only so far as commerce was concerned. If he had lived and could have carried out his crusade to the fullest degree, the condition of affairs in England would have been very different from what it is to-day. He stated just before his death that, if he were a young man thirty or thirty-five years of age, he would start a league for free-trade in land with a view to ameliorate the conditions of the people. We are seeking to improve the conditions of the people by legislation which is taking an entirely wrong direction, and is gradually making things worse. Reference has been made to

the fact that the Labour Party are supporting legislation for the benefit of their own class, and who shall blame them. I do not agree with everything they have done; but before there was a Labour Party in politics what course was adopted by those who had the power? They legislated for their own section, and for them alone. If the legislation in times gone by had been of a different class there would have been no Labour Party to-day. We have created huge monopolies and conferred great benefits upon them, not deliberately, but owing to our misdirected legislation. So far as immigration is concerned, the land question is the key to the whole position. Land is the one element from which wealth is produced. It is upon the land that every man should be able to find employment. There are broad acres in all directions, which, if men were free to till them, even with a spade, would yield livings for themselves and their families. Yet we find that the means which nature has provided for man's sustenance have been legislated away from him, and given to monopolists. Restrictive legislation such as that passed in recent years will never benefit the working classes; but the doctrine of freedom carried to such an extent as to afford full and equal opportunities to every man to sustain himself by profitable employment, presents the only means of salvation. Every man is entitled to what he earns or produces. No man is entitled to take from him any of the product of his labour without giving him a fair equivalent, but there are hundreds of men in this country who, under existing conditions, are able to take from the working classes a share of the wealth they produce. Whilst I recognise all this, I believe that the legislation which is now being submitted to us is not of the class calculated to remedy existing evils.

Mr. WATSON.—What would the honorable member substitute?

Mr. LONSDALE.—I would substitute something if I had my way, but I recognise that in this Parliament we are very much hampered. In the State Parliament of New South Wales, I have throughout my career advocated a certain course which would take me beyond the sphere of Federal politics at the present stage. Some of the members of the Labour Party have spoken of the necessity of providing for the payment of old-age pensions. I am in favour of pensions being given only to the deserving poor. I do not regard every man as

being entitled to a pension; but I am looking forward to the old-age pension scheme for my own benefit, because I am not a wealthy man, and I may have to take advantage of the system. When deserving men go down in the struggle of life it is right that we should make their conditions as pleasant and easy as possible.

Mr. WATSON.—How would the honorable member discriminate between those who are deserving and those who are not?

Mr. LONSDALE.—That could easily be done. I know of one case in New South Wales in which a man who has £130 in the bank—that is more than I have—and also his own house, draws a pension from the State because he is over the age of 65. Will any honorable member say that that is right? I am afraid that State rights will stand in the way of the adoption of the suggestion that the funds necessary for the payment of old-age pensions should be raised by means of a land tax. I would point out that we could not impose a land tax in Western Australia, for example, and leave other States untouched in that regard. Whilst our financial conditions remain as they are we are powerless to do anything in the way of raising funds. Until the Braddon blot is removed, and the federation can exercise a free hand in regard to its finances, we cannot provide for old-age pensions. I am an advocate of land taxation. I believe that all the revenue that we require should be raised by means of a tax upon land, and I have industriously promulgated that doctrine throughout my State electorate, although not in my Federal electorate. The true friends of labour should avail themselves of every opportunity to denounce the present system of spoliation under which we live, and endeavour to so adjust the incidence of taxation that when the State spends large sums of money it shall receive an adequate return, that when the growth of population increases the value of the land the increment shall go to the people who make it. The Labour Party in New South Wales crippled the land tax when it was first introduced into the State Legislature. They supported an exemption with the object of saving the poor man.

Mr. WATSON.—So did the leader of the Opposition, who was then the head of the Government in New South Wales.

Mr. LONSDALE.—But I did not.

Mr. WATSON.—No, I grant that.

Mr. LONSDALE.—I suppose that I may term the honorable and learned member for East Sydney an opportunist, because he went

for all he thought he could get. Some half-dozen honorable members of the State Legislature voted against the provision for the exemption, but it was inserted in the Bill at the instigation of the Labour Party, and the honorable and learned member for East Sydney had to submit. I wish to say a word or two with regard to the doctrine of cheapness. Cheapness is bad if it results from the sweating of labour. It is a curse to the community that wages should be kept down in order that commodities may be made cheap. But if cheapness results from the lessened cost of production, and is obtained by fair and right means, it is one of the greatest possible blessings to the community. Is it right to make goods artificially dear? Was it right that fodder should be made artificially dear, as it was last year when so many farmers were upon the verge of ruin?

Mr. HUTCHISON.—Ask the South Australian farmers about that?

Mr. LONSDALE.—In my own electorate there are farmers who made fortunes out of the necessities of others. I faced them upon the public platform, and told them exactly what I am saying to-night. It was absolutely wrong that they should have enriched themselves as the result of the misery and distress of others. That is an instance of artificial dearness, which was good for the South Australian farmers, but extremely bad for the men who were suffering, and who ought to have been considered. South Australian farmers would have obtained a good price for their wheat without the operation of the fodder duties. Now they cannot get a good price, even with the aid of these duties. Such imposts can prove of assistance only in time of famine or scarcity. If we desire to produce dear wheat, let our farmers use the primitive plough, which was used by my father in the early days, before the outbreak of the gold-fields. The improved methods of production have cheapened the cost, and as a result our farmers derive a fair price for their produce to-day. Any attempt to increase that price by means of the payment of a bonus is equivalent to robbing the people. It will be gathered from my remarks that I am opposed to granting a bonus for the production of iron. Neither Mr. Sandford nor any other gentleman will secure my assistance in any effort to exploit some one else's pockets. I desire, nevertheless, that the fullest avenues of employment shall be opened up. When we have done that we

shall have accomplished all that legislation can do for the purpose of benefiting the masses of the people. So far as New South Wales is concerned, our factories under free-trade employed only a thousand hands less than did those of Victoria. The main difference was that the former State employed men, whilst the latter employed women and children. I thank honorable members for the very patient hearing which they have accorded to me.

Mr. LIDDELL (Hunter).—As a new member in the fullest sense of the term, and as one who is unaccustomed to the usages of this House, I can assure honorable members it is with considerable diffidence that I rise to add my quota to the debate. To-day the honorable and learned member for Parkes remarked that it was not only right that new members should take an early opportunity of addressing this Chamber, and thus introducing themselves to the old members, but that the latter should give the former a taste of their quality. I feel very much like the little boy who stands shivering upon the bank of a stream, and is afraid to take the plunge. However, I have been advised that the best thing I can do is to take it and get it over. I feel my position all the more keenly because I have the honour to represent a constituency which for three years was represented by the first Prime Minister of Australia. The electors of the Hunter felt themselves highly honoured when they found that they were privileged to be represented by the late Prime Minister. But I regret to say that many were disappointed when they discovered that the policy which he advocated in his celebrated Maitland manifesto was not to be given effect to in the way they had anticipated. The fact that an untried man has been returned by a considerable majority to represent that particular constituency is conclusive evidence that it favours free-trade. I am not prepared to discuss the merits of the Government policy, but I utterly fail to see how they can reconcile the two questions of preferential trade and fiscal peace. In my judgment these things can scarcely co-exist. I cannot understand why the Government throughout the recent campaign made the question of preferential trade their battle-cry, when it is apparent to everybody that it cannot come upon the *tapis* for three years. We must await the verdict of the people of

Great Britain upon that subject, and when we receive an offer from them it will then be time enough for us to discuss it. We have heard a great deal about the "crimson thread of kinship" and the "silken bonds," but I fancy that to a certain extent we deceive ourselves. True, we are loyal to the mother country, but I cannot but feel that there is a good deal of the sordid element in connexion with our loyalty. We sent our soldiers to South Africa to assist the Empire, but many of them were not animated by feelings of loyalty alone. They recognised that in South Africa we had a market for our goods, and that consequently we could not allow that country to pass into the hands of foreigners. Concerning the Conciliation and Arbitration Bill, I merely desire to say that we cannot possibly progress unless we have a union between the two great forces of capital and labour. Consequently, I am favorable to giving the principle of arbitration a fair trial. Of course, we must regard legislation of this kind as largely an experiment. We have recently had examples in which it seems likely to prove a failure. That, however, should not deter us from endeavouring to produce unity between these two great opposing forces. I have an opinion upon the proposal to extend the provisions of the Bill to the public servants, but I have no intention of expressing it at the present moment. If we bring public servants under its operation, I fail to understand why it should not be made to embrace the members of our defence force. Then possibly we might witness the spectacle of the Justices of the High Court accompanying the troops in time of war, in order to be upon the spot in case their services might be required. We might also be spared the sight of 500 soldiers disobeying the orders of their superior officer—as was the case in Tasmania a few days ago. In regard to the Navigation Bill, I shall say nothing about the propriety of excluding black labour from our mail steamers. I have had some experience of the sea, and I know that when vessels are travelling through the Red Sea, with the thermometer registering 120 degrees in the shade, and the wind aft, the stokehold is about the last place in which one would wish to see his friends. Nevertheless, the stamina of the British race is such that it is quite able to endure these extreme temperatures. Whether or not we desire to prohibit the employment of black labour upon our mail steamers, I think that, as a matter of expediency, it is to be regretted

Mr. Liddell.

that the Commonwealth enacted such legislation. We behold the fruits of it to-day. We find the Postmaster-General placed in a most awkward dilemma. He has called for tenders for a mail service under the new conditions, and no satisfactory replies have been forthcoming. It must be admitted that the exclusion of black labour from these ships has a tendency to dislocate the trade of the great shipping companies which are interested, and we must recognise that they have their vested rights. Moreover, the policy which has been adopted in this connexion is not pleasing to our neighbours. One question which in my judgment should be settled this session is the selection of the Federal Capital site. I made it one of the planks of my platform during the recent election campaign. I think that the mother State is merely asking for her rights when she demands that it shall be settled at the earliest possible moment, and I must congratulate the Prime Minister upon having recognised that fact. I see no reason why we should not establish the Federal Capital, not in the bush, but in the country. It is admitted that one of the evils from which we are suffering to-day is the concentration of population in a few large cities. For example, Sydney contains five-fourteenths of the population of New South Wales. The honorable member for Franklin claims that it would be wise on our part not to create any more large cities. But I would point out to him that Washington has a population of 200,000, and covers an area of seventy square miles. I fail to see why we should not make another addition to our great cities. It need not necessarily be a city of the magnitude of Sydney or of Melbourne, but it would be an advantage to this country if we had, as in New Zealand, a number of smaller cities scattered throughout the Commonwealth. Why should we not, at very little expense, erect Houses of Parliament, in which to conduct our business, somewhere in the neighbourhood of a fairly large town like Tumut or Bombala?

Mr. WILLIS.—Or Lyndhurst?

*Mr. LIDDELL.—*I prefer Lyndhurst to either of the other sites, because I recognise that it could readily be connected with the existing railway systems. I see no reason why we should not, at slight expense, establish our Houses of Parliament in a Federal Capital, and live in the neighbouring township in the greatest of comfort. I come now to the question of immigration. I favour the

encouragement of immigration, but the question before us is, how can we best give effect to our wishes. I have travelled over mile after mile of beautiful arable land in my own electorate—land most suitable for settlement, but devoted entirely to the production of wool. It seems to me that there is nothing to prevent the cutting up of large estates of this description, or, at all events, of those portions of them which are suitable for agricultural purposes. The present holders incur no great expense in carrying on operations. Most of them work on the land themselves, and employ but few men, and it seems to me that there is nothing to prevent the throwing open of such areas to suitable settlers. If the present holders were compelled to make their land available for settlement, they would find in the end that it was much to their advantage, and that they would secure a much better return than they now obtain. I am wholly opposed to the entrance of coloured races into this fair land of ours. We are of Anglo-Saxon blood, and it would be regrettable if that blood were contaminated by that of coloured races. Considering that we have enormous coloured populations in close proximity to our shores, I feel that we are well within our rights in refusing to allow the unrestricted admission of coloured races to the Commonwealth. There are, for example, the 400,000,000 of China, and the 40,000,000 of Japan, and it would be a serious matter to the country if those people once gained a foothold here. I should encourage the immigration of men with small capital, and also of artisans and labourers, and I hold that we make a great mistake when we erect on our shores a notice-board bearing the warning—"Trespassers will be prosecuted with the utmost rigour of the law." It is a matter for regret that we do not hold out open arms to immigrants of a desirable class.

Mr. ISAACS.—That is what we are doing.

Mr. LIDDELL.—Canada and the United States, as well as Australia in the gold-digging days, were most prosperous when they had a steady stream of immigrants flowing in. There is one class, however, which I would not encourage. I speak now with a certain amount of hesitation, because we must all entertain naught but feelings of sympathy for those who suffer from ill-health. For many years, however, Australia has been made a dumping ground for persons from other lands who suffer from

consumption. I am glad to see that the people, in common with the medical world, are beginning to recognise that consumption is a disease which is communicable, and I think that our laws for its prevention cannot be made too stringent. I would not wholly restrict the admission of consumptives to the Commonwealth, but if they choose to come here, I should make them reside within certain reservations, where they would be able to enjoy the beneficial influences of our climate without fear of contaminating our people. One constantly sees consumptives on board the large mail steam-ships coming to Australia, and not only are they a menace to the whole of their fellow passengers, but to the people of the Commonwealth. There is another subject with which it is somewhat difficult to deal, but which I desire to bring under the notice of honorable members. It seems to me that, although we ought to encourage our native born, that Australia is beginning to resent the appearance of its own people in its own land. One can scarcely pick up a newspaper without seeing in it advertisements which suggest the keeping down of the population.

Mr. WILKS.—We have an Act to prevent the publication of such advertisements.

Mr. LIDDELL.—I know that we have a means of preventing the publication of such advertisements. I refer to the provision in the Post and Telegraph Act. If the Postmaster-General did his duty he would cause a very close censorship to be exercised over mail matter, and refuse to allow the post-office to be used for the distribution of these advertisements, full as they are of matter of a dangerous nature. Only a few days ago I received through the post a communication which was of a nature inimical to the growth of population. It was enclosed in an envelope in such a way that it might readily have been opened by any one. It was addressed particularly to medical men and chemists, but was really intended for any one to read. Immediately upon receipt of the communication, I brought it under the notice of the Postmaster-General, and he assured me that in future no letters of that description would be allowed to pass through the post. I regret that it was necessary for me to draw attention to this correspondence, because matters of this kind should be attended to in the first instance by the servants of the Department.

Mr. DEAKIN.—They cannot open letters.

Mr. LIDDELL.—This was not a closed letter. The flap of the envelope was

turned in, and it was possible for any one to open it.

Mr. DEAKIN.—The Department has prevented the circulation of many undesirable publications through the post, but it requires to be informed of them. Unless the Department has reasons to suspect that a letter is an improper one, it cannot cause it to be opened.

Mr. LIDDELL.—I regret that the Postmaster-General is not present.

Mr. SALMON.—I gave a similar letter to the Postmaster-General a day or two ago.

Mr. LIDDELL.—The letter which I received bore an attractive stamp, setting forth the name of the company which sent it out, and on the whole it was got up in a way that would have encouraged any one to open it.

Mr. DEAKIN.—Numbers of such letters have been intercepted when passing through the post-office, but we look to the public to assist us.

Mr. LIDDELL.—Many of these undesirable advertisements appear in newspapers which are transmitted through the post. The Department is entitled to open any newspaper, and I do not think that journals containing such advertisements should be allowed to pass through it. Quite recently a Commission sat in New South Wales to consider the question of the declining birth-rate, and I know that the matter to which I have referred is a growing evil. People in ordinary walks of life have not the opportunity to learn these things that is open to members of the medical profession; but honorable members may take it from me that the matter is one of the most supreme importance. I trust that now that I have brought it forward, the Postmaster-General will do what he can to prevent the dissemination of this class of literature through the post.

Mr. DEAKIN.—Hear, hear.

Mr. LIDDELL.—I have now but to thank the House for the very kindly way in which my remarks have been received. I confess that this has been somewhat of an ordeal for me; but I have determined to make myself a politician. I have learned a great deal by listening to the debate in this House during the last few days, and I am satisfied that, if I continue to improve at the same rate, I shall become a very clever politician.

Mr. LEE (Cowper).—As most of the newly returned members from the Northern parts of New South Wales have to-night commenced their career in this House, I

think that the honorable member for Cowper, like the honorable member for New England, and the honorable member for Hunter, might very well be pardoned for seizing this opportunity to make his maiden speech. The Governor-General's Speech is of so general a character that it enables one to speak on almost every subject relating to the heavens above, the earth below, or the waters beneath, and with so much latitude allowed him, it should not be difficult for an honorable member to find suitable subjects for a speech extending at least over half-an-hour. During the last election campaign, the people of New South Wales were favoured by a visit from the Prime Minister. I listened with a great deal of interest to the speech which the honorable and learned gentleman made last week on the Address in Reply, and I could not help feeling that the trip made by him to New South Wales had been very beneficial to him. I am sure that we shall always welcome him to New South Wales, and that we shall eventually be proud of him, for I feel satisfied that he is veering round more rapidly than ever to the fiscal views of the people of that State.

Mr. WILKS.—The honorable and learned gentleman is somewhat of a free-trader.

Mr. LEE.—When listening to him the other day, it seemed to me that he was as much a free-trader as are some honorable members of the Opposition. He is certainly working very well in the direction of free-trade. He visited New South Wales to preach the doctrine of fiscal peace and preferential trade, and made no allusion to many other great matters to which reference is made in the Governor-General's Speech. His cry was—"Drop the Tariff; let us have fiscal peace, and let us also have preferential trade." But the preferential trade which he now advocates is of a brand different from that which he advocated when in Sydney.

Mr. WEBSTER.—It is of the same brand, but the honorable and learned gentleman is not pressing it so strongly as before.

Mr. LEE.—If it is of the same brand, it has at all events been improved. The Prime Minister is now coming more into harmony with the views which New South Wales entertains upon the question. We as free-traders have fought the preferential trade question, because of the aspect in which it presents itself to us. We fought it in the interests of the producers of New South Wales and of the Commonwealth. They wish for no assistance in their competition in the English

markets with the other nations of the world. They do not ask the British people to tax themselves to put money into our pockets. If we are to have preferential trade, let us follow the good example set by Canada. That country gave concessions to the mother land without asking for anything in return, and I hope that the Commonwealth of Australia will not be found behind the Dominion of Canada. The Government policy of preferential trade, however, is a selfish one. The honorable member for Gippsland spoke of the necessity for giving encouragement to the dairying and kindred industries of the Commonwealth. In this State, at all events, the dairying industry has been encouraged from the very beginning. But what did the Federal Parliament do for its encouragement? They placed a duty of 3d. per lb. upon butter, but the irony of the position is that the duty is ineffective, because our dairy farmers export their produce to England, and its price is not increased to the extent of a farthing. It would be only in a time of national distress, arising from an unprecedented drought, that such a duty would be of advantage to dairy farmers. Then, to assist the wheat-growers of the Commonwealth, this Parliament imposed a duty of 1s. per cental upon wheat, and again the irony of the position is that the wheat-growers last year were the very men who had to pay it, because they had to import their seed wheat. But now that a good harvest has come, and they have wheat enough to export, they get no advantage from the duty. Wheat is worth only 3s. a bushel within the Commonwealth, and cannot be brought here from any other country for less than 3s. 6d. a bushel. No real encouragement is given to the farmers of the Commonwealth by the Tariff. What we should do to encourage them is to remove the obstacles which make it difficult for them to compete in the markets of the world. I do not agree with what the honorable and learned member for Werriwa said about Mr. Chamberlain. I have a very high opinion of Mr. Chamberlain. I consider that he has done more than any other Englishman to consolidate the British Empire. He was the first Secretary of State to recognise the value of the Australian Colonies and the other possessions of the Crown, and to endeavour to bring together the various parts of this vast Empire. I have followed his career from the time when he was the greatest of Radicals.

I remember when he broke away from that grand old free-trader, Mr. Gladstone. The people then hissed him, and called him a traitor and a Judas; but he has lived it down, so that to-day they almost worship him, and are glad to call him their "Joe."

Mr. WILKS.—Right or wrong, he is the biggest man in England to-day.

Mr. LEE.—Yes. He stands head and shoulders above every other public man in England. His reason for advocating preferential trade is that the commercial supremacy of England is in danger, and he considers that a policy of preferential trade will help to build up its failing industries. But a greater economist than Mr. Chamberlain, Mr. Andrew Carnegie, has stated that if England ever loses her commercial supremacy, it will be because of the terrible amount of drinking done by her people. Her drink bill amounts to £170,000,000 a year, and Mr. Carnegie has appealed to the Scottish workmen to remove that stigma from their land. I am of Mr. Carnegie's opinion, and Mr. Chamberlain once spoke in the same strain. Now, however, he has allied himself with the brewers of England, and we know that their trade is their politics. The fight will therefore not be a fair one. Preferential trade will not receive a fair hearing. As has been pointed out by the Prime Minister, it is very difficult to obtain the opinions of the people upon any policy that may be put before them, no matter how much it is forced upon their attention. They persist at times in considering other matters of greater moment, and in voting upon those matters to the exclusion of policies advocated by prime ministers, leaders of oppositions, and other political persons. Some honorable members object to Mr. Chamberlain being invited to come to Australia. I am not one of them, because I know that if he comes here he will see and learn for himself what is meant by the preferential trade offered by the Government. He will see that selfishness is at the bottom of it. Notwithstanding that cablegrams have been sent to England to support Mr. Chamberlain's preferential trade proposals, is the Prime Minister ready to take an active part in the fight himself? No. He says that the matter must be allowed to stand aside for a time. Perhaps he wishes it to stand aside until the next general elections, so that the patriotic cry may be raised again. When he visited New South Wales recently he said that those who were opposed to the

policy of preferential trade were not true patriots.

Mr. DEAKIN.—I was returning the customary free-trade taunt.

Mr. LEE.—When the call to arms was made in South Africa, New South Wales sent as many soldiers as all the other States put together. That is my answer to the honorable and learned gentleman.

Sir JOHN FORREST.—New South Wales did not send more per head of population than were sent from the other States.

Mr. KINGSTON.—Are comparisons of this sort fair?

Mr. FULLER.—Years before, she sent to Egypt the first contingent ever sent from Australia.

Mr. LEE.—A great many honorable members are concerned about the state of parties in this House. Members of the Opposition and members of the Labour Party are both wondering what the Ministry will do.

Mr. BAMFORD.—Not a bit.

Mr. LEE.—I believe that the Ministry will try to carry out their programme, and that the members of the Opposition and of the Labour Party will support them or oppose them as they think proper. That is the course I shall take when the time comes to vote upon the several measures which are to be submitted to us. Some honorable members have made a great deal of capital out of the fact that the Government have not received tenders for the English mail service. I believe that the days of mail subsidies are over. But what the Ministry should require is the provision of proper cold storage upon the mail steamers. We know what a monopoly the steamers have had hitherto, and what high freights they have charged. But if the Government were to take the matter in hand, I think that the dairy farmers would get their produce carried for ½d. per lb.; and that no subsidy would have to be paid to bring that about. That is a way in which assistance can be given to the producers. Our farmers have had to carve their own pathway to success, and the less we interfere with them the better. But where we can help them we should. The employment of coloured aliens upon mail steamers seems to me no great concern of ours. I think that the Commonwealth should mind its own business. Personally, I have no objection to a black fellow doing a black fellow's work. With regard to the proposed Navigation Bill, I understand that some of its clauses

are likely to put an end to the competition in the coastal trade, and thus seriously injure the interests of Western Australia and Tasmania. We should pause before we pass any Bill which is likely to lessen the opportunities of producers for sending their produce to market, and should take great care that our legislation does not press heavily upon the people of the States. It is all very well to try to confine the coastal trade to Inter-State steamers. Certainly the mail steamers do not pay the same rate of wages, and if the coastal steamers have to compete with them it seems that their rates of wages will have to come down. But at the same time we must be exceedingly careful in dealing with the navigation laws. Many honorable members have spoken about the prospect of a speedy settlement of the Federal Capital question. We should approach this question without any provincial feelings. The New South Wales members, at all events, will not approach it in a provincial spirit. New South Wales is agreeable that the Commonwealth Parliament shall choose the site which appears to honorable members to be most suitable. The New South Wales Government appointed Commissioners to examine sites, and a report was furnished to the Commonwealth Parliament. Not satisfied with that, the Federal Government appointed its own Commissioners. New South Wales has afforded every facility for the selection, and I thoroughly believe that honorable members will act loyally to the Constitution and fix the capital as soon as possible. When the question is settled there will be a great deal more harmony amongst the members of this Parliament. Sometimes there is a feeling of irritation arising out of unsettled questions of this sort. Such feelings are not in the best interests of this Parliament. Of course, according to the Constitution, the capital must be in New South Wales. I do not know whether that was altogether a wise provision, but still it is there, and I am certain that honorable members will loyally endeavour to carry it out. I trust that the decision will be a wise one, and that we shall be unanimous in endeavouring to bring about this great consummation. I observe that the Papua Bill is to be introduced once more. I hope that this time it will not be thrown under the table, as was done last session because certain clauses were put into it. I hope that it will be passed, and that the clause prohibiting the

sale of intoxicating liquors in New Guinea will form part of it. The Commonwealth should set an example in the management of dependencies. One of the charges that has been levelled against British colonization has been that, when Englishmen went to civilize a country, they took the Bible in one hand and the whisky bottle in the other. I earnestly hope that the Commonwealth will not permit the whisky bottle to be taken to New Guinea. As to the Arbitration Bill, I intend to give careful consideration to its principles and its details, and will endeavour to record a vote that will be in the best interests of the community. Referring to the Defence Forces, I wish to impress upon the Minister for Defence the advisability of providing our rifle clubs with rifles, instead of expecting them to buy their own weapons. When men volunteer to fight for their country, they ought not to be called upon to buy their own rifles. We do not know when we may require the services of our volunteers. A number of farmers are practising with the new rifle. I know of two or three clubs that have been started. The trouble, however, is the cost of the rifle. I hope that the Minister will give favorable consideration to the suggestion I have made. As for the Electoral Act, I am satisfied that when it was passed the members of this Parliament tried to make it as complete and as liberal as possible. They wished it to be a model Act. But what have been the facts concerning its administration? The Minister in charge must have been thoroughly ashamed of it. The honorable member for Bland, speaking about it, said that the administration bordered on criminality. If he had been in the Cowper electorate he might have heard a bullock-driver loudly declaring that he would like to put the lash of his whip around the Minister for allowing his name to be left off the roll. There were men in New South Wales whose names were on the rolls as at first prepared, but were removed when the rolls were revised. Why they were taken off is a matter that requires serious consideration. Indeed, the whole subject deserves investigation by a committee of this House. There is a feeling that names were omitted purposely. I do not believe that, but still that idea prevails. I am certain that the Minister for Home Affairs will be able to clear away all innuendoes so far as the Government are concerned. But every member of the House has condemned the way the rolls were made

out, and I think there ought to be some further inquiry.

Mr. TUDOR.—It is the best Act we ever had in Victoria, and the rolls were prepared better than they ever were before.

Mr. CHAPMAN.—They did very well for the honorable member.

Mr. LEE.—Personally I have reason to be satisfied, but large numbers of electors are very discontented. I am sure that there was no desire on the part of the Government to omit any man's name from the rolls if he was entitled to be on. I thank the House for listening attentively to me. This is my first attempt in politics, and whilst I am here I will certainly do my best for the country. I may have to oppose the Ministry with regard to some matters of policy, but I shall endeavour, so far as my efforts go, to make all the legislation which is brought up for our consideration successful and beneficial.

Debate (on motion by Mr. KINGSTON) adjourned.

House adjourned at 10.31 p.m.

House of Representatives.

Friday, 11 March, 1904.

Mr. SPEAKER took the chair at 10.30 a.m., and read prayers.

ELECTORAL ADMINISTRATION: PETRIANA CASE.

Mr. WATSON.—I wish to know from the Prime Minister if the statement which appears in this morning's *Argus*, that the responsibility for the alteration in the class of persons before whom applications under form K of the Electoral Act would be attested rests with the Government? Was the question considered beforehand, as alleged in the newspaper report, and the alteration sanctioned by the Attorney-General?

Mr. DEAKIN.—The Government has a general responsibility for whatever happens in the administration of the Electoral, as of any other Act. The regulations issued under the Act were absolutely correct; the error referred to and commented upon by the newspaper arose out of instructions issued by some electoral officer without reference to the Attorney-General. The statement appearing in the *Argus* that the proposed alteration was submitted to the Attorney-General is absolutely incorrect, as

is the further statement that Orders in Council were passed. Thus we have in the first leading article appearing to-day in the columns of one of the morning journals of this city two statements absolutely without foundation, but put before the public as if they were absolutely and veritably true.

Mr. FISHER.—They are near enough to the truth to suit the Melbourne press.

Mr. DEAKIN.—Perhaps I may be permitted to say, in reference to the second leading article which appears in this morning's *Argus*, commenting upon the difference between the treatment given to the crew of the *Petriana* and that meted out to the crew of the Japanese ship recently wrecked near Newcastle, that precisely the same course was followed in both cases. In each case agents of the vessel were asked—"Will you undertake to see that these shipwrecked men leave this country for their own land at the first convenient opportunity?" The duty of returning shipwrecked sailors to their own country is an obligation cast upon British ship-owners by British law. The agents of the *Petriana* refused to give that undertaking. They declined to allow the men to be landed upon their responsibility. They were offered their choice of landing-places, and might have put the men ashore wherever they wished, if they had made themselves responsible for the deportation of the men on the first occasion possible. In the case of the crew of the Japanese ship, the undertaking we asked for was entered into, and the men were allowed to land at once, and to go to the Sailors' Home. There was no alteration in procedure in that case, because none was necessary. The whole dispute has been as to who should bear the cost of keeping these men, and in the *Petriana* case the agents endeavoured to transfer their responsibility to the Government. Their failure to do so was the whole source and cause of the complaint which has been made, and the foundation of the misrepresentations which we have heard.

Mr. SYDNEY SMITH.—I wish to ask the Prime Minister if his attention has been directed to the following passage from the decision of the Chief Justice of the High Court in connexion with the declaration that the Melbourne election was void. He there says that the voiding of the election was due to the neglect of the Chief Electoral Officer, and refers to the matter in these terms—

It was owing to the action of the Chief Electoral Officer in sending out a circular containing directions as to voting by post that these votes were lost. People who had endeavoured to

exercise their votes had been disfranchised by what he thought he was justified in characterizing as gross negligence on the part of an officer of the Electoral Department.

I ask the Prime Minister whether, in view of the strong condemnation expressed by the Chief Justice, he will give effect to the request of the leader of the Opposition, that a full and searching inquiry shall be made into the administration of the Electoral Office. It seems to me—

Mr. SPEAKER.—The honorable member in asking a question is not permitted to express an opinion.

Mr. SYDNEY SMITH.—In view of the fact that this decision supports—

Mr. SPEAKER.—For an honorable member to say that a decision supports, or does not support, a contention, is to discuss the matter, and debate is not permissible when asking a question.

Mr. SYDNEY SMITH.—Then, I shall content myself with asking the Prime Minister if he will give effect to the request of the leader of the Opposition, and of other honorable members, that a searching inquiry shall be made into this and other abuses due to the general maladministration of the Electoral Office. I think I shall be able to show—

Mr. SPEAKER.—Order.

Mr. DEAKIN.—I shall take the first opportunity to obtain an absolutely authoritative copy of the remarks of the Chief Justice, and I shall read them in conjunction with the Minister who is charged with the administration of the Electoral Act. I understand that the instruction referred to was amended some time ago. If, after I have informed myself of the facts, an inquiry is asked for by any honorable member, I shall require him to state what it is he wishes to be inquired into, and its relation to the facts of this case.

Mr. WATSON.—Will the Government consider the propriety of making an allowance to the two gentlemen who have been unseated by the decision of the High Court in regard to the Melbourne election, to cover their expenses, since the election has been declared void, through no fault of theirs? A precedent has been set by the action of some of the Parliaments of the States in similar cases, in reimbursing candidates the expenses they had incurred. In New South Wales such consideration has been shown in several instances.

Mr. DEAKIN.—I shall be happy to look into the precedents referred to. As under the Electoral Act no candidate for the House

of Representatives is allowed to spend more than £200 in contesting an election, the reimbursement proposed would not be a very serious matter.

Mr. WILLIS.—Is the Minister for Home Affairs aware that some of the returning officers in New South Wales have not yet been refunded their out-of-pocket expenses? Is he aware that carpenters employed to erect polling booths have not been paid for the work they performed? Will he take an early opportunity to direct that these persons be paid?

Sir JOHN FORREST.—I shall be obliged to the honorable member if he will give me more definite information on this subject. There are outstanding accounts in regard to which there are disputes, because some of the returning officers took it upon themselves to spend considerable sums of money contrary to the instructions issued to them. Those cases are being investigated, but every account in regard to which there has been no dispute has been paid.

Mr. WILLIS.—What about the carpenters?

Sir JOHN FORREST.—The carpenters were employed, not by the Department, but by various returning officers acting under the instructions of the Department. Where returning officers have gone beyond their instructions, there must be delay in dealing with these matters. Every other account has been settled long ago. I am doing my best to have all these matters dealt with, and if the honorable member can give me information which will expedite the settlement of accounts still outstanding, I shall be much obliged to him.

TASMANIAN DEFENCE FORCES.

Mr. McWILLIAMS.—I wish to ask the Minister for Defence what is the position of affairs now in regard to the difficulty which has occurred in connexion with the Defence Forces in the southern part of Tasmania. When will information on the subject be presented to the House?

Mr. CHAPMAN.—The matter is under consideration, and I hope to give the honorable member a definite answer in the course of two or three days.

GOVERNOR-GENERAL'S SPEECH: ADDRESS IN REPLY.

Debate resumed from 10th March (*vide* page 455), on motion by Mr. MAUGER—

That the Address be agreed to by the House.

Mr. KINGSTON (Adelaide).—I take it that honorable members are in the humour

to dispose of the Address in Reply, with a view to giving their attention to the details of various measures which ought to be dealt with as soon as possible. Under these circumstances, I do not propose to occupy the time of the House at any length, particularly as an occasion of this sort is utilized chiefly for the purpose of criticism, and, because of the relations which have existed between me and the members of the Government, I am inclined to use my privilege of criticising sparingly, and certainly not with the object of leaving a sting behind. I think, however, that it is just as well for honorable members to take advantage of this opportunity to define with sufficient precision their attitude towards the Government and towards the various questions which are likely to engage our attention, so that no misapprehension may arise. Approaching the consideration of the motion under these circumstances, I have to say that I cannot altogether approve of the action of Ministers in several important particulars. I address them in the hope that they may be induced to take heed to their ways. There are, it appears to me, symptoms of a highly undesirable fall from democratic grace, and as I do not wish to accompany them into any political slough of despond, I am speaking in the hope that further consideration may induce an attempt upon their part to avoid the pitfalls upon which they are undoubtedly, though unwarily, advancing. I hope that my past and present attitude may satisfy them that my desire is solely for an alteration in their ways, which will be more consistent with the course which I believe they have hitherto desired to follow, and may have the effect of avoiding possible disaster. It is the advice of a friend, and I tender it as such, and nothing would afford me greater pleasure than to have it accepted in the spirit in which, I assure the Government, it is offered. First of all, I desire to say that I thoroughly agree with the protests which have been made recently against the action—or, rather, the inaction—of the Government in connexion with the Federal Capital question. I did not hesitate last year to plainly express my views upon the subject. I think that it would be a great pity if the present state of affairs were allowed to continue, or if any State, whether it be the oldest or the youngest, the most populous or the least populous, were induced to imagine that there is an intention on the part of the Parliament, or

of any section of it, to disregard its undoubted rights. We should spare no pains to establish and maintain the very best relations between the different constituent States of this great Commonwealth, and we should, in every possible way, endeavour to avoid giving the slightest apparent foundation for the idea that any section of this House seriously considers the possibility of doing that which would undoubtedly be unjust to New South Wales or any other State. It is upon the mutual trust and confidence which we all have in each other that the success of the Federation depends. Destroy the trust which should exist between the States, let there be any real reason for the suggestion that one State would do an injustice to the other, and the chief guarantee for the security of the Federation, for the continued existence of the goodwill which is necessary to its maintenance, will sustain possibilities of risk to which it cannot, in the interests of united Australia, be properly exposed. What is the position? It is that New South Wales has undoubted rights in this connexion. It has the right to expect that an honest and sincerely determined effort will be made thus early in the history of the Federation to settle the Federal Capital in some convenient part of New South Wales. I do not believe that any section of the House is really opposed to the question being disposed of at the earliest possible date. There is no room for argument on the subject; the Constitution speaks all too clearly. In the very nature of things, what would be one of the earliest subjects to engage the attention of the Federation? The settlement of the Federal Capital. How do matters stand now? There is no doubt whatever that any Federal Parliament would, in the natural order of things, meeting for the despatch of business, address itself to the question: Where is the seat of government to be? If the Constitution were silent, that would take place in the natural order of events, and I ask: Is the provision in the Constitution to relieve us of the necessity of disposing of the matter at an early date? Nothing of the sort. The Constitution declares that the Federal Capital site shall be in New South Wales, but not within 100 miles of Sydney, and that declaration, instead of relieving us from the duty of dealing with the question at the earliest possible date, simply emphasizes the necessity of out addressing ourselves to the question. Do honorable members recollect the history

Mr. Kingston.

of the negotiations in this respect? The first referendum to the people of New South Wales failed, and failed—it has been said, and I think to some extent rightly—because the right to the capital was not guaranteed to New South Wales within the four corners of the first draft Constitution. What was done to overcome the difficulty? A Conference was held at which the various States were represented by their Premiers. The meeting was held in Melbourne, and Sir George Turner, then Premier of Victoria, presided. Tasmania was represented by the late Sir Edward Braddon, and Queensland by the late Sir James Dickson. The right honorable and learned member for East Sydney represented New South Wales, the Minister for Home Affairs, then Premier of Western Australia, represented that State, and I had the honour to appear on behalf of my native State. At that Conference, an agreement was arrived at with a view to overcome the difficulty, and a compact was made that New South Wales should have the capital. We all agreed to that. I confess that I should have preferred the question to be left open. But we were all there considering the question, and there was a desire to federate, and the complaisance of the representative of Victoria smoothed the way towards the removal of the obstacle. At any rate, the agreement was made, and there it stands, and New South Wales is entitled to the capital. It is now three years since we federated, and she has not yet obtained her right. Under these circumstances, is not our duty clear? The Government say that they are getting on with this matter.

Mr. CONROY.—Backwards.

Mr. KINGSTON.—I read various accounts in various places as to what they are doing. But I hold that their duty is to declare their policy. I venture to say that their first duty is to unite, because there must be a Government policy on a question of this sort. Of course, various questions are at times troublesome; but, in regard to the selection of the Federal Capital site, the Government should be united. What is the use of their saying "We are doing our best; we are advocating this and advocating that." I ask: Is the whole strength of the Government behind their action? I know that it is difficult for Ministers to agree upon some subjects, but the time comes when their duty is to adjust their differences and to present for the acceptance of both Houses a policy upon which they are agreed, and which they

are prepared, by resorting to every legitimate means, to carry into effect. How can a number of people who are not agreed upon a question expect to succeed in inducing a number of others to agree upon it? The natural retort of those who have differences of opinion is: "Agree among yourselves; when you are agreed, put your proposals before us. Your agreement will be at least an earnest of the fact that you are prepared to sink unnecessary differences, and you will then have the right to ask us to follow suit."

Mr. JOSEPH COOK.—We want to have the agreement accompanied by a cash deposit.

Mr. KINGSTON.—I do not know about that. It would be sufficient, I take it, for the representative of the Government to tell us—"Our policy as regards the Capital site is this"—Tumut or Bombala, one or the other, specifying which. As regards the merits of the various sites, what we did last year practically amounted to the rejection of all sites other than Tumut or Bombala.

Mr. LONSDALE.—This is a new House.

Mr. KINGSTON.—I know that, but I do not think that the corporate view upon the subject has changed. I think that the dispute was narrowed down to the sites mentioned. It was last year, any way, and really it would be too bad to suggest that, instead of having been brought a little closer together by the lapse of time, we are more widely separated, and that some other site is likely to be introduced into the controversy. However, four or five months have elapsed since we were last together, and I put it to the leader of the Government—have the Government made up their minds as to which site they intend to recommend to Parliament?

Mr. DEAKIN.—Not yet.

Mr. KINGSTON.—Then I say that it is too bad, and that the sooner they do make up their minds the better.

Sir JOHN FORREST.—It is not such a very easy matter. It is, in fact, a very difficult matter, and no one knows that better than the right honorable and learned gentleman.

Mr. KINGSTON.—I know that as regards the Minister for Home Affairs there is that possibility for disagreement when he is about which seems to be somewhere existent in this particular case. But I put it directly to the Government—is it not time that they have made up their minds in this matter? The members of the Government proposed to have the question settled last year.

Mr. DEAKIN.—By Parliament.

Mr. KINGSTON.—Ministers were agreed then, I suppose; they at least had some idea of what they wanted.

Mr. DEAKIN.—They were agreed then, and they are agreed now, to accept the decision of Parliament.

Mr. KINGSTON.—We have to thank the Prime Minister for nothing. The Government will have to accept the decision of Parliament, whether they like it or not. Speaking in all candour, I ask my honorable friend: Does he not think that this is a matter in which the Government should put forward a policy?

Mr. DEAKIN.—I do not.

Mr. KINGSTON.—Then I venture to say that there will be a division of opinion between the House and the Government, which I should like to see put to the test. Is the matter to be humbugged? Are the Government to bring forward a Bill with a blank in it and leave the matter at that? Are they to rest content with informing the House that they have no united policy upon the subject, and leave it to the decision of honorable members?

Mr. DEAKIN.—It is a matter upon which each individual member should be free to express his own opinion.

Mr. KINGSTON.—I would suggest to the House generally, and to the Government in particular, that it is a matter of giving effect to the constitutional provisions of the Imperial Act as regards the fixing of the Federal Capital site. I have always understood that in a matter of that sort it is the duty of the Government—whatever Government might be in office—to propound a policy, and if the Government do not feel capable of doing so, I suggest that they might be offered an opportunity of allowing others, who would not exhibit similar reluctance, to discharge the duties imposed by the Constitution.

Mr. WILKS.—Move an amendment upon the Address in Reply.

Mr. KINGSTON.—I am not going to move an amendment. I put it to the House generally that the Government are expected to lead. Their attention is directed, by the express terms of the Constitution, to the necessity for applying their minds to the consideration of the case. We shall never arrive at a decision if we do not first get a Government which has a policy upon the subject, and which has the courage to advocate and fight for it in the way in which all difficult matters require to be fought for—to the end. I say that the

feelings of the people of New South Wales upon this question are by no means unnatural, and unless it be promptly settled, I think that as time goes on, the irritation which they are experiencing will be likely to develop into a deep-seated sore, entirely prejudicial to a continuance of those harmonious relations and those feelings of mutual confidence and trust which should exist between the various States of the Federation.

Sir WILLIAM LYNE.—It will be far deeper if Parliament selects Bombala.

Mr. KINGSTON.—May I ask if the Minister for Home Affairs agrees with that proposition?

Sir JOHN FORREST.—I have no prejudices at all.

Mr. CHAPMAN.—I think it would be a national calamity if Tumut were chosen.

Mr. KINGSTON.—Might I ask the Prime Minister if that is the view of the Government? Of course, there is sometimes an amusing way of looking at these things. Occasionally it happens that questions arise upon which it is very difficult for Ministers to be unanimous. I have experienced it. Of course, it may be that that case arose just because I "happened to be there."

Mr. MCWILLIAMS.—Why did the right honorable member not settle that particular question when he was a Minister?

Mr. KINGSTON.—I could not settle it, and as a result I am here in the capacity of a private member. It does seem to me that the question of the Capital site will not be satisfactorily dealt with until this House is disposed to take the matter into its own hands, and to give something in the nature of a gentle hint to the Government that it expects them to have a policy upon the subject. I do not hesitate to tell Ministers that I would infinitely prefer that they should recognise the force of the position and take upon themselves their undoubted responsibility to propound a policy in favour either of Tumut or of Bombala.

Sir WILLIAM LYNE.—Will the right honorable member vote for Tumut?

Mr. KINGSTON.—No; I shall vote for Bombala.

Mr. CHAPMAN.—The right honorable member is upon the right spot.

Mr. KINGSTON.—The present position cannot long continue. It seems to me that it is as plain as plain can be. New South Wales has her undoubted rights. She has been kept out of them too long. Let us give her that to which she is clearly entitled, and

which is expressly provided for in our written Constitution. Do not let this cry that she ought to have the capital merge into a clamour. Her right to it has been made as plain as plain can be, first by the Premiers' agreement, and subsequently by the adoption of the Constitution by the various States upon a referendum. It has further been incorporated in an Imperial Act. I say that whatever may be the reason for it, this delay has lasted too long, and when the cry is raised to defer action—and we hear a whisper of it now and again even in this House—and when we see that some journals have the hardihood practically to advocate the repudiation of the agreement, and the cheating of New South Wales, either directly or indirectly, out of that which is her undoubted constitutional right, I say the affair is reaching a stage which is highly dangerous to true Federal friendship, upon which our Constitution rests. I hold that those who favour delay should either rise in their places and justify its continuance, if they can, or yield that which they are in honour bound to yield—the rights of New South Wales, as embodied within the four corners of the Constitution. The responsibility for the continuance of the present position rests with the Government. They are bound to propound a policy; they propound none. They are bound to do their best to induce the two Houses to agree; they have even failed in that essential preliminary. This is no new subject. Last session I addressed myself to it. I remember the occasion upon which there was a debate on the question of parting with the control of the Appropriation Bill, and I then asked for an assurance that the Government would spare no pains to get this matter settled. I obtained a promise, but precious little more. Anyhow, the session closed without any advance being made in the solution of the rival claims of Tumut and Bombala, and the question, it now seems to be practically admitted, is an open one with the Ministry still. What is the good of the Government obtaining maps, and this, that, and the other, including the promised contour surveys? Was the matter ripe for settlement last year when it was introduced by the Government? If so, why is it not ripe now? If it was not ripe for settlement, why was it introduced? It seems to me that Ministers are simply encouraging the hopes of the people of New South

Wales for a recognition of their rights—hopes which are not to be realized. The Government disagreeing upon the subject when are they going to agree? When are they going to get the question settled? I do not hesitate to say that, unless we are shown that there is a fair prospect of this question being taken up by the Ministry with an intention to settle it, and under circumstances which inspire more hope of its settlement than appears to be warranted if the Government are left solely to their own devices, some action on the part of the House will be justified in the interests of Federation, with a view to prevent a grave injustice being done to a State, which, however keenly alive to what her rights may be, is at least left no room for doubt as to what they are, by their declaration, with the consent of the people of Australia, within the four corners of the Constitution itself. Having said so much in regard to a matter upon which I am not in agreement with the action of the Government, I should like to say a word or two to my old friends of the Opposition, on the subject of the results of the policy which the Ministry have had the honour of advocating during the past two or three years.

Mr. JOSEPH COOK.—Has the right honorable member got Mr. Wise's figures?

Mr. KINGSTON.—Of course, I naturally go to that which is wise at once. I congratulate New South Wales upon many things, and amongst others upon the fact that it includes amongst its statesmen, a gentleman of the ability of the Honorable B. R. Wise—

Mr. KELLY.—A convert to the right honorable gentleman's fiscal belief.

Mr. KINGSTON.—I do not know whether honorable members have noticed the report of Mr. Wise's remarks which is contained in the columns of the *Age* newspaper—his utterances of Wednesday last with reference to the progress of New South Wales, assisted by a good season, and the benefits which have been conferred by a protective Tariff. Really it is most refreshing when I reflect upon the gloomy predictions that were indulged in—

Mr. SKENE.—Which has had most to do with her progress—the good season or the Tariff?

Mr. KINGSTON.—Despite all the gloomy predictions that were indulged in by some of the opponents of protection, and despite the remarks which are occasionally made even in this House, what has been the

result? Mr. Wise speaks from the experience of a couple of years' working of the Tariff, and with the figures before him. I am sure that every one who has the interests of Australia in general, or of New South Wales in particular, at heart, must be delighted with what—in the absence of Sir John See—the Acting Premier of New South Wales, with the figures before him, and the responsibilities of his office upon him, declares to be the result both of the season and of the Tariff. He directs attention, however, more particularly to the effect of the operation of the Tariff upon the manufacturing interests of New South Wales.

Mr. WILKS.—There are more unemployed in New South Wales to-day than there ever were.

Mr. KINGSTON.—I see.

Mr. WILKS.—New South Wales has returned nineteen free-traders to this House. That is her answer.

Sir WILLIAM LYNE.—The electors did not vote upon the question of free-trade at all.

Mr. KINGSTON.—The article from which I quote is headed "A Prosperity Speech." Mr. Wise, rejoicing upon the output of manufactures during the year, makes the statement that it totalled a value of £25,000,000.

Mr. CONROY.—We had a total output of £28,000,000 one year.

Mr. KINGSTON.—The report is as follows:—

The Acting Premier, Mr. B. R. Wise, delivered an important speech at the Mayoral luncheon this afternoon, in which he referred to the resources of the State, and produced some statistics to show the recent advance in the prosperity of the State. After referring to the two years of unparalleled difficulties which the Government had had to face, he said those troubles had almost passed. A sum of £3,000,000 would go into the farmers' pockets as a result of the harvest. The value of the wheat exported during the past two months, from Sydney totalled £500,000, and within the same time dairy produce of the value of £250,000 had been exported. Mr. Wise then referred to the growth of the position of New South Wales as a manufacturing State.

My honorable friends opposite will no doubt recollect that some of us ventured to say, from the nature and value of the resources of New South Wales in coal, iron, &c., that there would be a great increase in the prosperity of that State under protection. There can be no doubt whatever that she is richly endowed as compared with any one of the other States. Her resources are second to none; and what we expected in relation to

the increase of her production has, it seems, happened. Mr. Wise said—

The manufacturing output of the State totalled £25,000,000, which were wonderful figures when the smallness of the population was taken into consideration. It was five times as much as the value of the agricultural produce raised. A sum of £5,000,000 had been distributed in wages. During the past four years there had been a greater rush of trade than in any like period of the preceding twelve months. To show, in striking form, what the development had been, he would quote a few figures. From 1900 to 1902 factories had increased in actual cash value, counting machinery and plant, and not including buildings, by £1,000,000 sterling, and when the figures for 1903 were available, he believed that the increase would be £1,500,000 more. In 1900 the State exported boots of the value of £25,000; in 1902 that amount had more than doubled. In 1900 biscuits of the value of £10,000 were exported; in 1902 the exports had increased to £38,000.

Mr. LEE.—That is, to other Australian States.

Mr. KINGSTON.—Each of the States benefits from inter-State free-trade. I can assure honorable members from New South Wales that the figures which I am quoting are as agreeable to me as if they referred to my own native State. I am sure that all of us have the same goodwill towards all the States.

Mr. KELLY.—Does Mr. Wise state that the good season was due to a bonus on rain?

Mr. KINGSTON.—The honorable member had better go and ask him; though perhaps, in answering a young member thus, I am speaking rather too sharply.

As for wearing apparel, the value of the goods exported in 1900 only amounted to £3,000. In 1902 the figures were £54,000. Jam to the value of £9,000 was exported in 1900; in 1902 the figures had trebled, and the value of the export was £27,000. But the most striking advance of all was in relation to tobacco. In 1900 the tobacco exported had a value of only £19. In 1902 the figures were £112,293. Although the figures for 1903 were not available, yet he had been given an assurance that they would show a considerable increase on those of 1902. Sydney must reap the benefit of the prosperity shown by these figures. In the same period the capital value of the rateable property had jumped from £88,100,000 to £93,400,000, being an increase of £5,300,000, while the annual value had increased from £5,000,000 to £5,400,000. These figures served to show the increasing capital invested in the industries in this State, and the accompanying increases in wages.

Instead of there being a flight of capital elsewhere there has been a marked increase in its income.

Mr. SYDNEY SMITH.—Can the right honorable member give the Victorian figures after forty years of protection?

Mr. KINGSTON.—I do not think it necessary. Of course, Victoria has had the benefit of protection for a very long time. But here is Mr. Wise pointing out enormous increases of the character I have shown.

Mr. SYDNEY SMITH.—In former years we have had him showing the wonderful effects of free-trade in New South Wales!

Mr. KINGSTON.—These are his latest utterances, anyway, and they are up-to-date. Coming from the lips of the Acting Premier of the senior State of Australia, they are of a character which admits of no dispute. I will go a little further, and rub it in. It is not as though these were my figures. They are the figures and opinions of the Acting Premier of New South Wales, who, I venture to say, is a man of whom all Australia has good reason to be proud.

Mr. SYDNEY SMITH.—The people of New South Wales are not proud of him; they would not elect him.

Mr. KINGSTON.—Unless they were proud of him he would not occupy the position he does.

Mr. SYDNEY SMITH.—In a nominee Chamber.

Mr. KINGSTON.—There are a good many constituencies in a good many parts of the Commonwealth that would be very proud to have Mr. Wise as their representative. He is a gentleman who has for many years occupied a prominent position in the public life of his native State, and his career is one of which a good many might well be envious. I am not speaking with the bias of one who is concerned in State party politics, but the unprejudiced view which I have expressed concerning Mr. Wise is one which I honestly hold. I really do not think there is any one who would seriously dispute the high ability and many talents of the honorable gentleman to whom I am referring. He went on to make this further statement—

He only quoted these figures to show how socialistic legislation—

we have heard about that before—

and the Arbitration Act were driving capital out of the country.

He seems to have the figures on his side, does he not?

He concluded by saying he further believed that, in the next two years, the growth of New South Wales industries would be without parallel in the history of the State.

Mr. LONSDALE.—No one in New South Wales believes Mr. Wise.

Mr. CONROY.—If only £1,500,000 is given back, and £4,500,000 is taken away from the people of New South Wales in taxation, how is there a gain to the people of that State?

Mr. SPEAKER.—The honorable and learned member for Werriwa cannot speak again. He has already taken part in the debate.

Mr. KINGSTON.—These are the latest figures, and as they are authoritative they are well worthy of our consideration. It seems to me that they speak trumpet-tongued, and all in one way. They prove that New South Wales, in common with all the other States, has profited from Federation and protection, especially as regards her manufacturing interests; and it seems to me that, with Mr. Wise, we can hope for even better results in the future. I notice that our old friend, the leader of the Opposition, was present on the same occasion, and he did not take altogether the same view that Mr. Wise took, but attributed some of the success of New South Wales to the enlarged market which she has undoubtedly secured for her manufactures and products under inter-State free-trade. Of course I should not dream of attempting to dispute that that is one of the results of Federation, and that it has had a good deal to do with the success which has been achieved. But I also contend that the figures which I have quoted completely dispel all the gloomy notions and the terrifying pictures which were drawn by some rampant free-traders as to the possible results of protection.

Mr. WILKS.—I know of a number of factories which have been working half-time.

Mr. KINGSTON.—All that I can say is that if some factories have been working half-time, the result is that they have increased the output of their manufactures.

Sir WILLIAM LYNE.—The honorable member is only referring to the importing boot firms.

Mr. WILKS.—I am referring to engineering establishments which are only working half-time. Where they had 1,800 men working three years ago they have only 600 to-day.

Mr. SPEAKER.—The honorable member for Dalley has already spoken.

Mr. KINGSTON.—I do not propose to analyze the output of each industry. I have quoted the figures which are the most important, and it seems to me that there is no room for doubting these facts. They show that the manufacturing interests of

New South Wales are prospering—that their output, representing, as it does, £25,000,000—is greater to-day than ever it was. May they go from good to better! When we remember what is the population of the State, I think that these are figures of which we may well be proud. Instead of there being the disaster and ruin which were prophesied, we have ground for congratulation, and promise of better results in the future, which should remove even the shadow of a cloud from our minds, and induce us to continue, with stout hearts and bright hopes, in the course which is set before us in the interests of a united Australia. The next point to which I desire to refer is the subject of industrial conciliation. Honorable members will probably accept my assurance that this is a matter in which for years past I have taken a very deep interest. In 1890 my attention was particularly directed to the question by the great maritime strike, as well as by the industrial dispute at Broken Hill. I found that there were two things upon which the public mind was practically unanimous. It was recognised, first of all, that strikes and locks-out were much to be deplored. I am happy to say that I have never advocated embarkation on a strike; on the contrary, I have always done my best to prevent men from resorting to this method of securing redress. It seemed to me, at the time to which I refer, that it would be a good thing if strikes and locks-out could be prohibited. Then the thought arose in my mind that if we made it impossible for strikes and locks-out to occur we should have to substitute something in their stead, because they were claimed to be the only weapons which masters and men could employ, in certain events, to secure the doing of right. It appeared to me that we could not prohibit strikes and locks-out without providing some other means to ascertain the right, and to secure its accomplishment, and I set to work to draft a Bill dealing with the subject. The view which I took of the position was that whilst prohibiting strikes and locks-out we should recognise that in an industrial dispute, as in all disputes, there is a right and a wrong, and that if we wished to provide for the doing of the right it was imperative that we should provide a means by which that right might be ascertained. That proposition admitted, it followed naturally that we should be able to adopt suitable provisions to give effect to it, and to this end I proposed a tribunal

in which full public confidence could be placed. I should like at this stage to say that, whilst I am a believer in unionism, I believe in a unionism of masters as well as of men. Strong unions on both sides are so many steps towards peace. One should not be stronger than the other to an extent which would justify even an attempt to set aside the consideration of a question in dispute on the broad merits of right and wrong. The stronger these unions are—the more closely they approximate in strength to each other—the more likely are we to secure mutual forbearance and mutual respect, and the greater is the possibility of equitable agreement. Here I should like to make my position and feeling in regard to one point very plain. I have heard statements as to there being a temporary disposition on the part of certain workers to fail to comply with the conditions of an award of an Arbitration Court. I know, however, that the unions themselves do not encourage anything of the kind, and I understand that, even as regards the Teralba incident, the position is that the terms of the award are now being carried out. Is not that so?

Mr. WEBSTER.—It is.

Mr. CONROY.—How was it possible for the men to struggle against the law?

Mr. SPENCE.—They went back voluntarily.

Mr. KINGSTON.—To their honour be it said that they did so.

Mr. WATSON.—Four thousand in the district at once accepted the decision of the Court, although it meant a reduction.

Mr. KINGSTON.—I am proud to know that there is at present no wilful omission on the part of any man to comply with the terms of an award of an Arbitration Court in any part of the Commonwealth.

Mr. CONROY.—Men are not to be free to refuse to work. This is a pretty country.

Mr. KINGSTON.—What we desire to secure is the continuous employment of our workers. One of our chief objects in legislating as regards arbitration is that an end shall be put to the practices of masters and men in the way of strikes and lock-outs. I put the question to the House, without fear as to what the answer will be: Is there one of us who really wishes to see a strike or a lock-out—who would not do his best to prevent such an occurrence?

Mr. WEBSTER.—No one who has gone through a strike would wish to see another one.

Mr. KINGSTON.—Exactly. I am known, I venture to think, for my genuine sympathy with the workers, but I have, at the same time, as keen a desire for justice to the masters. We should take care that provision for the satisfactory punishment of a man who wilfully fails to comply with an award of the Court, is clearly made within the four corners of the Bill with which we are to deal. We should have the courage to do our duty, and, when the need arises, to enforce those provisions, utterly irrespective of whether it is the master or man who breaks the law. The success of a law relating to arbitration depends upon the compliance of both sides with the awards of the Court, and I say "out upon him"—whether he be master or man—who seeks to strike at the foundation of legislation designed for the benefit of all; who restricts a jurisdiction which is exercised for the benefit of both sides and for the good of the community. Let him by all means, be punished. Let there be no weakness in a matter of this kind. It is necessary for the good of all that there should be none. The man who can see a difference between master and man, as regards the duty of enforcing penalties for a breach of the law, is peculiarly constituted; he has not that sense of what is true justice which is necessary for a proper appreciation of the manner in which the law should be administered. In this respect, let there be no weakness or wavering as to one side or the other. Let us say to both parties—"You are bound by the law; if you break it you shall suffer." A few examples in this respect would be more than justifiable. They would have a wholesome effect, and I think still more highly of the effect the sense of justice would have upon public sentiment. One and all of us ought to set our faces against this tampering with the foundation of beneficial legislation of this description—this setting at naught of its provisions. We should do all that lies within our power to discount actions such as those to which I have referred, and to secure their passing away for all time. The success of the efforts which have been made in this direction, which is shown by the non-existence at this particular moment of any example of defiance of legislation of this kind, will be continued in such a degree that these little temporary episodes, which grieve us and excite us to anger—but which are now so

conspicuous by their absence—will shortly pass away, and we shall have a concurrence of public sentiment in the administration of the law, and its observance by all concerned, that will secure in the future even greater unanimity in relation to this particular point. We see elsewhere the effect of State legislation. Honorable members remember the old Broken Hill strike. There we had an industrial dispute. But what happened lately? Another industrial dispute occurred at Broken Hill—

Mr. McWILLIAMS.—It would have been found difficult to punish all the men in the last-named case.

Mr. WATSON.—All that the men asked in that case was that the employers should comply with their own agreement and grant them a conference. The employers, however, would not do so.

Mr. KINGSTON.—There might be some difficulty in enforcing the law against a number of men. I have often said that there would be a difficulty in such cases. If a great many men set themselves against a law there will no doubt be difficulty in enforcing that law, but for any Government prepared to do its duty in this respect difficulties of that sort are surely made to be overcome? The honorable member would not suggest that because a number of men combined to break the law as to assault it would not be enforced. The Government might have difficulty in enforcing it, but they would do it. It should be done, and it would be done. The Government, in such a case, would recognise its duties, and Parliament would insist upon their performance, because the Executive would be there to see that the provisions of the law were carried out, and to give the public the protection which they require. It is one thing, when there is a law against what is deemed an offence, to break it, and it is another thing to do that which is not prohibited. The mere fact that something is prohibited under penalty will secure amongst all civilized communities a degree of observance which would be altogether absent if there were no penalty or prohibition. Civilized communities are law abiding communities, and to say that people do certain things when there is no law against them by no means proves that they will do them if there be such a law. It has been my duty to advise whether certain things were lawful or not, and I have found that there is always a disposition on the part of the members of a community, and I do not care who they

are, to obey the law, if it be clear and precise. People will not dream of disobeying a law when there is a prohibition under penalty. I find that where the breach of agreements is declared to be a penal act there is an indisposition to incur the penalty that has a most wholesome effect in regulating general action. We might just as well say in regard to any admittedly desirable provision to be found in the pages of our statute-books, prohibiting this, that, and the other, that there might be a difficulty in enforcing the provision if there were combined resistance, if there were an insurrection, or if there were a revolution. But insurrections and revolutions are things which we speak of only in our wildest moments. There is a respect for the law which regulates the mind of each individual in the community. I ask honorable members whether it is desirable that we should hold our hands in the making of laws, because it might be difficult to enforce them if many resisted their operation? The possibility of resistance is small indeed, and in the great majority of instances obedience follows the making of the law. A suggestion as to the difficulty of enforcement should not be sufficient to induce us to hold our hand in legislating for the common good, on lines which must commend themselves to all as simply for the ascertainment of the right and the providing for its enforcement. I have had a good deal to do, from time to time, with this question of arbitration, and I imagine there would be a general disposition to accept that scheme which is thought most likely to secure the most just results. I ask honorable members to consider whether there could be anything better than to provide, before the outbreak of a dispute, for a Court to ascertain the right, when the trouble arises. Is it not a good thing, too, that there should be a decision of the question as to what is the right? It seems to me that we should have as President of the Court a gentleman accustomed to the judicial method of hearing, sifting, and weighing of evidence. Shall we not be taking one step towards securing that if we provide that the President shall be a Justice of the High Court? In the natural order of things we should expect on the Bench of the High Court gentlemen of the highest judicial attainments. I venture to think that that expectation would be strengthened by a consideration of the gentlemen who at the present moment occupy

positions on that Bench. If we elect a President from that Bench, surely, we shall get the incarnation of judicial talent? We shall have, on the other hand, on each side, gentlemen who may naturally be expected to bring expert knowledge, or an appreciation of business habits, to the assistance of the Court; one representing the masters, and the other the men. Can any one suggest a Court more admirably constituted? I venture, however, to think and hope that if any improvement can really be suggested as regards the constitution of the Court, the Government would be only too glad to adopt it.

Mr. DEAKIN.—To consider it, at all events.

Mr. KINGSTON.—What I should like to say here, is this: Of course, I know that, in party politics, my name is not infrequently associated with warm partisanship, but we know where party politics should end, and where questions of right and wrong arise, and I do trust that party politics will never be allowed to interfere with questions of justice between man and man. We should keep the political element, in every possible way, off the Bench. This is a matter of the hearing of a dispute, it is a judicial consideration for the purpose of the declaration of the right, and it seems to me we shall get the judicial spirit fully represented in the way I have mentioned. A Court, constituted as I have said, will have no object and no duty but that of doing justice, finding where the right is, and declaring for its enforcement. Then, when the award of the Court is made, my opinion is that we must have a power in the Court to fix the penalties attaching to any breach of the award. Let them be clear and distinct, and let there be no hesitation about the enforcement of the penalties which the circumstances of the case demand. We require an active Court, a just Court, and a Court, the awards of which shall not be waste paper, but which shall have every power necessary for securing due regard for and compliance with its every order. I know that it is sometimes said that the power of enforcement seems to be hard. All I can say is that I take it that the object of the reference to a Court of Arbitration is to find out the right, and to secure that effect shall be given to it, but, if we are going to stop short, after finding out what is right, of doing what is necessary for the purpose of enforcing it, that will be altogether a mistake,

and we shall be wasting our time. We take away the power to strike and the power to lock-out, and we substitute something far better—a declaration of the right, and its enforcement. In 1890, when I first introduced an Arbitration Bill in the South Australian Parliament, I included in it a provision for compulsory conciliation, enabling it to be applied to all organizations, whether registered or not. Considerable exception was taken to this measure. The term compulsory conciliation, and a good many other things in it, were objected to, and, after I had carried the Bill three times through the House of Assembly I lost it in the Legislative Council, and had to strike out the provisions for compulsory conciliation. It was contended that it would be sufficient if we were to give the Court a power to make a non-enforceable report. It was suggested that the investigation of a matter by the Court would enable them to declare where the right was, and that, though the Court would not have the power of compelling compliance with the terms of its declaration, public sentiment on the question would be guided by its report and influenced to such an extent that public feeling would call for compliance.

Mr. BATCHELOR.—It did not do anything of the kind in practice.

Mr. KINGSTON.—I do not think it did. I was hopeful at the time that there would be found to be something in the contention. I thought that as regards big strikes, by which very considerable sections of the community are inconvenienced, it might have effect. I think it might have had some effect, for instance, in the old Maritime strike and the Broken Hill strike, when many persons not immediately concerned in the disputes were inconvenienced to a great extent. But I am now satisfied that it is a mistake not to provide for direct compulsion.

Mr. FOWLER.—It would be the inconvenience, and not the principle, that would decide the matter in those cases.

Mr. KINGSTON.—There is no doubt something in that, but at the same time public sentiment on the subject would be influenced by an authoritative declaration of what the right was. However, we had not the compulsory power. A case arose—I think Dowie was the name; I know it was a carriers' dispute—the President of the Court was Mr. Justice Bunday, a Judge whose name will be mentioned with respect anywhere in Australia. There were three representatives of the masters, and three of the men. It was a Court which, I am happy

to say, we had the power of constituting, and which was constituted in such a way that no exception could be taken to a single individual forming it. That Court unanimously came to the conclusion that the men were entitled to 6d. a day more wages than they had been receiving. As there was no power to enforce the verdict, and as the public conscience did not seem to have awakened on the subject, nothing was done, and the shameful wrong was continued. All we had accomplished was the declaration of where the right was, and the continuance of the wrong done.

Mr. BATCHELOR.—And the public looked on with indifference.

Sir JOHN FORREST.—Did the employer not close up his business?

Mr. BATCHELOR.—No; he got rid of all his men, some of whom are still walking about the streets.

Mr. WILLIS.—That occurred fourteen years ago.

Mr. BATCHELOR.—Yes, and some of the men are still walking about the streets in search of regular employment.

Mr. KINGSTON.—I say that the teaching of that difficulty—the teaching of experience—is that if we are to have a Court calculated to ascertain the right, and declare what ought to be done, it should, to be effectual, be accompanied by the power to enforce its award. Else the award will be disregarded, and there will be simply perpetrated this infamy—that in spite of the declaration of a just Court, unanimous in its view on a subject which has been carefully investigated, one side or the other will have the power to set aside the award and to do as it pleases. I do not think that we shall be well advised in this Parliament if we consent to be a party to anything of that sort. Let us make our provisions on the subject complete. When we have ascertained the right—and we shall run little or no chance of making a mistake with a Court constituted as is proposed here—do not hesitate in giving effect to the proper conclusions, in providing for the punishment of those who are not content with the declaration, but seek to defy it. Courts are not constituted to be defied. If we give them the power to declare, we must also give them the power to enforce. I venture to think that when a penalty is attached to non-compliance there will be a willingness on the part of those interested to comply at the earliest possible moment, which will be very pleasing indeed as

compared with the instance of an altogether different state of affairs, to which I have ventured to refer. I should like here to say a word to the Government on what seems to me a disposition on their part to wobble on this important question. Surely the principles to which I have referred—to find out what is right and to provide for its doing—are applicable to all cases of industrial dispute. What do we wish to do? We desire to abolish strikes and locks-out; we are agreed on that, at least. Do honorable members wish to have any exemption in that regard? If they exempted any industries under any circumstances from any provisions in the Bill, what would it mean? It would mean that the chief object as regards the abolition of strikes and locks-out could not apply, and we should have strikes and locks-out in all the excepted industries. Surely honorable members wish that right should be done in all cases—that the law should apply to each industry. What is the difference? Why should one industry, I venture to ask, be exempted? Why should the shipping industry, for instance, be exempted? Let me ask honorable members to recollect that in Australia there has been legislation proposed as regards these matters. I do not think that, as regards an industry of that character, an exemption will be found in the law of any country. Let me tell honorable members that it was as regards the shipping industry that this legislation was chiefly undertaken. I undertook it under the provocation of the shipping strike. It was also undertaken by the Honorable W. P. Reeves under the provocation of a shipping strike. Why should we have one law for one industry, and another law for another industry? I confess that at this particular moment I am speaking with a degree of embarrassment, which I think might have been avoided. I understand that, as regards dealing with this matter by two Bills—one to be introduced here, and the other to be introduced elsewhere—the object of the Government is to save time.

Mr. JOSEPH COOK.—The Government are not paying attention to what is being said.

Sir WILLIAM LYNE.—I can assure the honorable member for Parramatta that I, for one, am paying great attention.

Mr. KINGSTON.—I can assure honorable members that, whilst I welcome any proposal which is likely to be productive of that result, I am doubtful whether this

particular scheme will be. When we are considering the whole question of arbitration, as we shall be shortly, I think it will be very inconvenient to be dealing with the Arbitration Bill here, and at the same time to have the Navigation Bill, laying down some law on the subject as regards our coastal trade, being considered in another place, because we shall not be able to refer to the latter, or to deal with the question completely. I am inclined to think that it would be infinitely better if we had the two Bills in this House at the same time. What we want finally is an agreement between the Houses. Will it not be likely to be more readily achieved if one House first deals with the two Bills which cover the whole subject, and sends its whole scheme on to the other, than if we deal in a piecemeal way with one Bill at a time, and are not able to present for the consideration of the other House at the same time what is really proposed? Possibly some arrangements may be made to provide for a reference to the Navigation Bill.

Mr. DEAKIN.—I think it will be quite possible to allude to the proposals of the Government as such, without saying whether they are being considered elsewhere or not. That is all that is wanted. It is not the debates elsewhere which are required to be discussed.

Mr. JOSEPH COOK.—Why should our consideration of one Bill be limited by the fact of the consideration of another Bill in another place? It is most irregular.

Mr. DEAKIN.—It will not be limited.

Mr. KINGSTON.—I take it that there is really no desire on the part of the Government to delay.

Mr. DEAKIN.—No, to save time.

Mr. KINGSTON.—I venture to suggest that expedition is more likely to be obtained if the Government will allow one House to look at both Bills at the same time, because until we have dealt with two Bills, we cannot say what are our complete views on the subject of industrial arbitration.

Mr. JOSEPH COOK.—And our consideration will be limited by the introduction of the Navigation Bill into another place.

Mr. DEAKIN.—Not in the least.

Mr. JOSEPH COOK.—It is determined by that fact.

Sir WILLIAM LYNE.—The honorable member is quite wrong.

Mr. JOSEPH COOK.—That is the intention.

Mr. DEAKIN.—No, the intention is the opposite.

Mr. KINGSTON.—Speaking generally, I shall contend for the abolition of limitations to the jurisdiction of the Court. It depends on this question: Is the policy of no strikes, no locks-out, ascertainment and declaration of the right and enforcement of the award, good or bad? If it be good, let it be applied to all. If it be bad, do not let us have anything to do with it. Broadly stated, the position is this: Do we desire the abolition of all strikes and locks-out, that in lieu of strikes and locks-out, there shall be judicial, amicable investigations and declarations, and enforcement of the right? If we desire that, how then, may I ask, is it possible to contend for limitations as regards ship-owners, for preferences in favour of over-sea ships? We do not wish men to be sweated. We desire to secure a fair thing. Some of the exemptions which it is desired to introduce would be ridiculous in the extreme degree. We wish to do a right thing between masters and men on ships. But some persons will say—"Oh, that is only when the ships are carrying cargo." Does not the same sort of being man a passenger boat as well as a cargo ship? Is there any difference in the humanity of the men? Do they not equally resent injustice? Have they not the same rights as have other members of the community? Is there any difference in the conditions of the work which entitles the master of a passenger ship to sweat a sailor, and deny him his fair wage, while the master of a cargo boat is prevented from exercising a similar power. Surely the main purpose of arbitration laws in disputes between masters and men is to see right done. Is a sailor to be paid £1 per month in the case of a passenger boat, with a few tons of cargo in the hold, when a much larger sum would properly be his reward? When we think of what the provisions of the Bill are, it is almost inconceivable that there should be such a contention. Why should the proposed law not apply to passenger ships? I remind honorable members that in New South Wales a common rule is exercised for the regulation of ships, though that rule, of course, has no application beyond the boundaries of that State. The Commonwealth has power only in cases of disputes extending beyond the limits of any one State, and the maritime

trade is that which is likely to be particularly affected. I do not hesitate to confess that I have experienced bitter disappointment from time to time at the action of the Federal Government in connexion with this question. It is fourteen years ago since I drafted the Bill to which I have already referred, and I had not proceeded five minutes with my speech, in moving the second reading, when I contended that Federal legislation would be required for the more effective application of the law to all industrial conditions in Australia, particularly those prevailing in the maritime trade.

Mr. McWILLIAMS.—Would the right honorable member have provisions to prevent the local shipping companies sweating producers?

Mr. KINGSTON.—I should be only too glad to do anything for the protection of producers.

Mr. McWILLIAMS.—Would the right honorable gentleman insert provisions with that object?

Mr. KINGSTON.—I do not think that could be done. Think what the position is. This Bill, it is proposed, shall apply only in case of disputes which extend beyond the limits of any one State, and only when a Court, constituted most carefully and effectively, declares that it is right and just, can an award be made. In order to make an award, the members of the Court will have to make themselves acquainted with the facts, and then decide the question according to equity, good conscience, and the substantial merits of the case. Do we trust the Court?

Mr. McWILLIAMS.—In my interjection, I was referring more particularly to the Navigation Bill.

Mr. KINGSTON.—Of course, there is a distinction to be drawn between a Navigation Bill and an Arbitration Bill. But what I desire is that the Court shall have power to make an award in the case of ships engaged in the coastal trade, similar to that which they have in the case of all other industries on land; I want no more and no less. In the case of shipping companies carrying on business in Australian waters in Australian ships, I prefer that the Court should exercise the power I have indicated rather than that any hard and fast lines should be laid down. This Court will be builded so high as to command the confidence and respect of all Australia, and I venture to think that the proposals already made secure that end. And when such a Court, applying the principles of equity and good conscience, decide that it is right that certain conditions should be

observed by competitors for our coastal trade, their award should be obeyed. Do we doubt that the Court will do right? Surely not, considering that we give the Court unlimited jurisdiction over all other industries in Australia. As to all the talk about railway servants, do we want to see justice done? I base my advocacy on one ground only—justice. My desire is to prevent strikes and lock-out by judicial, equitable determination and agreement.

Sir JOHN FORREST.—Cannot public servants get justice in their own Parliaments?

Mr. KINGSTON.—Does the right honorable member not know that a State Parliament has no power except within the limits of its own territory?

Sir JOHN FORREST.—The public servants are the State's own employés. Cannot they get justice from their own Parliament?

Mr. KINGSTON.—I venture to think that the report of a Court, constituted as I have described, would be of great assistance to each member of this House in considering the claims of public servants in a variety of matters—that it would be invaluable in securing just decisions. In a matter affecting their daily bread the public servants have an equal right to that justice which is meted out to every individual in the community. Is the public servant to be considered a pariah outside the realms of benevolent legislation designed for the protection of every other section of the community? Public servants generally, honorable as their position is, should be fairly remunerated. Do we wish the public servants to strike? Of course we do not. At the same time, if we exclude them from the operation of an Act designed to prevent strikes, we fail to apply to them most beneficent provisions. I am sure that honorable members agree that public servants have a right to the same facilities as are afforded to all other sections of the community in relation to disputes with employers; that is, to have a judicial and impartial investigation, and a declaration on the merits of their claims.

Sir JOHN FORREST.—Does the right honorable member mean to say that the public servants distrust their own representatives in Parliament?

Mr. FISHER.—Parliament is an incompetent Court.

Mr. KINGSTON.—Parliament is a deliberative and not an investigating body, not being designed for, and utterly incompetent to carry on, this kind of work. Our time would be fully occupied, indeed, if

Parliament had to hold inquiries in cases of the sort; and, in my opinion, it is most objectionable that attempts should be made, as they are, to bring individual cases and claims before a legislative body.

AN HONORABLE MEMBER.—They become party questions at once.

MR. KINGSTON.—A member of Parliament is interviewed by some party to a dispute, and, acquiring a certain impression, represents to the House what he believes to be the facts; but the chances are that he has, and very naturally, been imbued with a very partisan view. The result is confusion and trouble, which well might have been avoided. It is proposed to exempt railway servants from the benefit of the proposed measure; but, as in most cases, that branch of the public service is dealt with by Railway Commissioners, and is not, to half the extent that other Departments are, directed by the Minister, there are found even in various States Arbitration Acts provisions of an altogether different character from those which the Government have in contemplation. I do not say that there will be many cases under the proposed legislation, seeing that we have power to deal only with disputes which extend beyond the limits of any one State. But when no State can deal with a dispute effectively, on account of the limited nature of the State jurisdiction, and the necessary power can be constituted only by Federal legislation, we should take the opportunity to supply the omission, instead of leaving public servants to strike in the absence of any remedy in the way of an ascertainment of what their rights are, and a declaration on the merits of their claims.

SIR JOHN FORREST.—State public servants have their own Parliaments and Governments.

MR. KINGSTON.—Does the right honorable gentleman know that the Bill will apply only to disputes extending to more than one State? The local Parliaments are powerless to act for the prevention of such disputes.

SIR JOHN FORREST.—It would be better to abolish the States Parliaments altogether than to take away their right to manage their own servants.

MR. SPENCE.—The Bill will not take away any of their powers. It simply provides for the exercise by the Commonwealth of a power which no State Parliament can have.

MR. KINGSTON.—I hope that such jealousy as may now exist between the

States and the Commonwealth will speedily pass away.

SIR JOHN FORREST.—Legislation such as the right honorable member suggests will not tend to allay the jealousy of the States.

MR. KINGSTON.—This legislation is not a cause for jealousy of the Commonwealth on the part of the States. All that the Bill does is to make provision for the interference of the Commonwealth in cases where the States cannot act. We have no other powers than those given to us by the Constitution, and the constitutional position is emphasized by the very words of the Bill. The measure applies only to disputes extending to more than one State; in other words, to disputes with which the States have not sufficient power to deal—seamen's disputes and other disputes of that kind. We ask that the Commonwealth shall interfere to prevent these disputes, which the States have done nothing and can do nothing to prevent. We are providing for a comprehensive scheme to meet the condition of things contemplated when the Constitution was framed. We are providing against occasions when the States cannot act, and the interference of the Commonwealth is necessary. There is no taking away of power from the States in this connexion, because they do not possess any. The Commonwealth, however, will exercise its constitutional powers for the benefit of all concerned. It seems to me that there will be no difficulty in reading the Constitution as it is intended to be read.

SIR JOHN FORREST.—I do not think that the extension of the application of the measure advocated by the right honorable member comes within the provisions of the Constitution.

MR. KINGSTON.—When the Constitution was drawn the intention of its framers was clear enough. Let the right to arbitrate be exercised as completely as possible by the authorities of the States. We do not take away from them that right. All the Constitution does is to confer upon the Commonwealth the power to act in disputes concerning two or more States. There will be no interference by the Commonwealth authorities in disputes affecting only one State. It would not do, where a dispute affected more than one State, for the authorities of the affected States to attempt to act together. If they did, what would be the result? We should have one decision in one State, and a different one in another. Who is it acts for all the States in matters

of common concern? The Commonwealth. The Constitution gives us the opportunity to provide for such action on the part of the Commonwealth, and this is the time to give effect to that provision. Let us exercise it as completely as we can for the common good. Therefore, I say, away with the idea of exemptions! Various exemptions are proposed which may receive the support of many honorable members. I have heard it said that shipping trading to ports to which there are no railways should be exempt from the operation of the Bill until railways are built to those ports.

Sir JOHN FORREST.—Certainly.

Mr. KINGSTON.—What are we doing? I take it that the provisions of the measure are intended for the fair adjustment of differences between employers and employes. Are we to be told, by the adoption of exemptions of the character suggested, that no matter what the rights of the case are, no matter how patent the injustice, and no matter how strong the desire of the Court to provide for its immediate remedy, the wretched sweated sailors, however scanty their pay, and perhaps scantier their provisions, must continue to cry aloud for relief? Although the Court may be clear as to what ought to be done, as to what justice, equity, and good conscience dictate and require, there is to be inserted in the Bill the declaration that now, and for a time, there shall be no remedy, no relief, no matter how much nature may be despairing and exhausting. Existing conditions must continue unremedied, lest, perchance, a higher fare be required of those who voyage in the ships. Surely we are safeguarded sufficiently, when it is left to a competent Court to inquire into all such considerations, before it declares the necessity for an alteration! Do we really desire humanity and right to be considered in the matter? Surely we do. Do we trust our Court? This is what is suggested may be the position: A report from your Court of Arbitration that wages are too little and should be increased, and by the legislation now proposed, the shutting of the door in the face of relief. We are asked to say—"No matter if the pay is insufficient, and the provisions neither sufficient nor fit, the present conditions shall continue whatever declaration is made by our tribunal as to their iniquity." It is not in these as in other cases simply a question of what is right between masters and men. Other considerations may be introduced, and we are to declare that no matter what

the injustice, it shall continue, lest some one be called upon to pay some little extra fare for what it is to be hoped would be additional benefits accruing to him during a voyage.

Mr. CONROY.—Does the right honorable member propose to give the people higher incomes to pay for the extra fares? A few shillings mean a great deal to workmen.

Mr. KINGSTON.—Yes, and that is the reason why they should not be robbed of them.

Mr. CONROY.—How does the right honorable member propose to give the people the money to pay these extra fares?

Mr. KINGSTON.—I propose to find out what is due to the men employed, and to insist that it shall be paid to them.

Mr. CONROY.—We should see that our people get what they earn.

Mr. KINGSTON.—Yes. I wonder what people can earn in certain services. I should be sorry if it were thought that I advocated that men should be paid what they had not earned. I am as strong upon the point of men earning what they are paid as of their being paid what they have earned.

Mr. CONROY.—My point is that men are robbed by Customs duties of what they earn.

Mr. KINGSTON.—There are various reasons which prevent us from acting in particular cases as judges of what men earn. Therefore, I say, erect a competent and just Court. Let it be declared by the Court what men ought to be paid, and when it is declared, let them be paid. Let them receive neither more nor less.

Sir JOHN FORREST.—Are we better able to judge than are the members of a State Parliament as to what the employes of that State should be paid?

Mr. KINGSTON.—Does the right honorable gentleman tell me that a competent Court, constituted of a Justice from the High Court Bench, and of men representing the two interests concerned, who hear the evidence, cannot come to a better conclusion as to what is right than we, who have no special knowledge of the subject-matter of the dispute? Let these disputes be adjudicated upon by a competent tribunal. Let us try and test the Court as we please; but let us spare nothing in ascertaining what is right. When the right is ascertained, we should see that it is done. Do not let questions of right between masters and men be complicated by appeals as to what the effect of a decision

one way or another might be on any particular fare. That, with all other questions, will receive due weight and consideration from the Court. Constitute your Court, trust it, and give effect to its decisions.

Mr. CONROY.—Why this desire to allow lawyers to decide everything?

Mr. KINGSTON.—It is rather amusing to hear that question. I do not know if it is intended for a personal taunt; but in 1890, when I first introduced my Bill, it contained a provision prohibiting lawyers from appearing before the Arbitration Court.

Mr. CONROY.—Have fewer laws and you require fewer lawyers. We are continually making laws which provide for the employment of lawyers.

Mr. KINGSTON.—I do not see how that bears upon the opinions I am expressing. I believe that the clause to which I refer was carried.

Mr. CONROY.—I do not think it would be a good thing to prevent lawyers from appearing before the Arbitration Court.

Mr. KINGSTON.—I thought then that it was a good thing, and I think so now, and shall vote for it. At the same time I think that a trained lawyer who has become a Judge is a suitable man to preside over the Court.

Mr. CONROY.—The reason why I would allow lawyers to appear before the Court is because otherwise working men could not secure the proper presentation of their views. Laymen are not practised in legal subtleties.

Mr. KINGSTON.—I can assure the honorable member that he will find that generally the secretaries or other officers of the working men's organizations are admirably fitted to conduct cases in the Arbitration Court.

Mr. FRAZER.—We get along very well in Western Australia without barristers.

Mr. CONROY.—But the officers of the unions are not trained in the law.

Mr. FRAZER.—They have not to contend against trained men.

Mr. KINGSTON.—I shall be found resisting in every conceivable way the exclusion of any particular industry or class of persons from the application of the Bill. I believe thoroughly in the beneficence of the principle of abolishing strikes and lock-out, and providing for the judicial ascertainment and enforcement of the right. If this be a good principle let us adopt it, and apply it as generally as we can; if it be not, let us refrain from applying it at all.

To make the application of the Bill dependent upon the work of the sailor—upon the point whether or not his ship is carrying cargo between Australian ports, or whether there is a railway connecting the two ports between which he is travelling, is to introduce an exemption where exemptions generally are to be resisted, and to make it upon a ground that is really a pretext for striking at the principle of the Act. Such a suggestion must proceed from want of confidence on the part of those who advocate the Bill in the proper working of the great principles on which it is founded, or a desire to cause trouble by want of uniformity. Upon no ground could such an exemption be justified, because in good set terms it would amount to a denial of justice, when justice is demonstrable by the satisfactory declaration of a competent Court. I notice, with some interest, the attitude which has now been taken up by the Government on the subject of preferential trade. I am a believer in preferential trade. I believe that it will be well worth our while to raise our duties against the foreigner, whilst keeping them as they are at present against England. I notice, with surprise, that the Government policy does not seem to be that of the Barton Government by any means. Honorable members will recollect that the matter was referred to during the debate on the Address in Reply last year, when I had the pleasure, on behalf of the Government, of saying something in reference to it.

Sir JOHN FORREST.—The question is, whether what the right honorable and learned member said was on behalf of the Government. I do not remember that the matter was very much discussed in Cabinet.

Mr. KINGSTON.—I do not know what the Minister really desires to say—whether he really intends to suggest that, as a member of the Federal Government, I gave expression at the table to sentiments which had not the authority of an utterance on behalf of the Government.

Sir JOHN FORREST.—Perhaps the right honorable and learned gentleman did not speak on behalf of the Government.

Mr. KINGSTON.—All I can say is, that there is no "perhaps" about it. The Minister should know, if he does not know, that a Minister, speaking at the table, or from the Ministerial benches, cannot get over the responsibility of speaking on behalf of the Government.

Sir JOHN FORREST.—He does sometimes, I am afraid.

Mr. KINGSTON.—I do not wish to have any heated words with the Minister, but I ask him if he seriously suggests that I did anything of the kind?

Sir JOHN FORREST.—Oh, no.

Mr. KINGSTON.—I am glad to hear that, because the Minister—

Sir JOHN FORREST.—I interjected because the right honorable and learned gentleman stated that the Government had changed the policy of the Barton Government.

Mr. KINGSTON.—There is no doubt about it. Of course, the Government are entitled to change their policy as often as they like.

Mr. SYDNEY SMITH.—How often did they change it.

Mr. KINGSTON.—This is the way they changed: In connexion with preferential trade they are now announcing their intention to consider reductions in the present Tariff in favour of England. Not only did they not do that before, but, on the contrary, it was distinctly stated that the Barton Government were in favour of maintaining the duties as they are against England, and of raising them as regards the foreigner. And for two reasons. Firstly, because of the loss of revenue that would result from any reductions, and secondly, because so far as our policy is concerned, we had not achieved the degree of protection we desired. There is no doubt about that. The recurring divisions on the Tariff show it. A further reduction under any circumstances would result in a loss of protection to our own people, which it would be difficult to justify. That is undoubtedly the position, and I am sure that the Prime Minister will not suggest the contrary. As I have said, during the continuance of the Barton Government it was not part of their policy to propose reductions in the existing Tariff in favour of preferential trade with England, but rather to leave the duties as they were against England, and raise them against the foreigner.

Mr. DEAKIN.—Personally, I was not aware then that there was any possibility of making reductions, but I find now that there is.

Mr. KINGSTON.—I was not in the slightest degree commenting on the wisdom of the policy of the Government. I am glad that my statement has been borne out. The position was as stated, and for obvious reasons. I am still of opinion that it would be a good thing to maintain the

Tariff as it is in regard to England. I do not say that I am entirely opposed to reductions in the present Tariff, but I feel strongly that our first duty is to the people of Australia. We deliberately embarked upon our present policy for the purpose of affording protection to our own manufacturers. As honorable members are aware, we did not succeed in securing the full amount of protection which we thought was desirable, and which we proposed. Under these circumstances I think we were justified in saying that we would not consent to further reductions in the Tariff for the benefit of English manufacturers. At the same time, if there are cases in which, without injustice to both our local manufacturers and loss to our revenue, reductions in the present duties can be made, well and good. I should like to hear of them. I am of opinion that they must be few and far between. As a member of the Barton Government I was not aware of any such instances. If, however, they are matters of subsequent discovery, I am sure that reasonable treatment will be accorded to them by the House. At the same time I do not mind confessing that I, at least, am inclined to give the benefit to the Australian manufacturer, and I am not disposed to deprive him of a sufficient measure of protection or to needlessly sacrifice revenue.

Mr. LONSDALE.—Why should he be granted any privilege as against the consumer? Why, by means of a law, should we extend to any class a privilege over another class?

Mr. KINGSTON.—The question of protection *versus* free-trade has been discussed on a variety of occasions during the past two or three years, and I do not propose to re-open it now. We know that a majority of honorable members in the last Parliament were in favour of protection, and I hope there is still a larger majority in this Parliament who have a disposition to "hold fast to that which is good."

Mr. CONROY.—A burglar always endeavours to keep what he gets.

Mr. KINGSTON.—No doubt the honorable and learned member speaks with more authority upon that subject than I can do. I do not express the opinions of a burglar. I look upon the matter more from the public standpoint, and I think we were justified in the action which we took in our first session, and that we are not likely to go back upon it now. We will not sacrifice the existing duties unnecessarily for the benefit of the British manufacturer, and

to the loss of our own revenue. The latest figures which are before us—I think they were collected by the Imperial authorities; they were quoted by the Prime Minister at Ballarat—show that we certainly cannot be reviled for having extended to our people an excessive measure of protection.

Mr. LONSDALE.—If it is good, why not have enough of it?

Mr. KINGSTON.—I should not mind a little more of it, but, having threshed the matter out once, I think that it would be a pity to raise it again. I am sure that the sentiments which we have already embodied in the protective policy of this country are still entertained by a majority of the general public, and of honorable members, and will not be lightly abandoned. It has been shown by the figures which were quoted by the Prime Minister that of the average duties operative upon British staple exports in various countries, that which is imposed in Australia is almost the lowest. The lowest average is that of South Africa, 6 per cent. Australia comes next with an average of 7 per cent.

Mr. DEAKIN.—That is after the allowance has been made for the South African reduction of 25 per cent.

Mr. KINGSTON.—The Canadian duties average 16 per cent. after deducting the 33 per cent. preference which is extended to British exports. Seeing that our average duty is 7 per cent., or 9 per cent. less than the average of the reduced Canadian duties, and 1 per cent. in excess of the reduced South African duty, which is the lowest, I think that very little ground for serious objection is afforded even to those who are opposed to a protective Tariff. There is very little room for us to make any reductions without reaching the lowest average of the lot. An average of 7 per cent. cannot be complained of. As regards our manufacturers of metal and machinery, I say that a duty of only 12½ per cent. confers upon them very little protection indeed. Though there may be cases in which reductions could be justified, I do not know of any at present, and I shall await with interest, and scrutinize with care, the particulars when they are attempted to be supplied.

Mr. CONROY.—I may inform the right honorable member that our duties average about 16 per cent., and that the Board of Trade returns are not correctly interpreted.

Mr. KINGSTON.—All I know is that the Imperial authorities addressing themselves to the consideration of this question

have obtained the figures which I have quoted for the purpose of guiding them as to what is the true position.

Mr. KELLY.—Are they the principal articles of British export?

Mr. KINGSTON.—They are imports into Australia and exports from Great Britain.

Mr. DEAKIN.—The comparison is the same all round.

Mr. CONROY.—The average of our duties is 16 per cent.

Mr. KINGSTON.—The average of the duties on Australian imports of British exports is 7 per cent. I say that is low enough. I know of no particular instances in which the measure of protection afforded to our manufacturers is excessive, but perhaps it is just as well for the Government to allow this margin to come and go upon. If on further investigation they find that there are some articles, the duties on which can be reduced without injury to Australia, well and good. Having thus stated my position, I desire to say that I am altogether in favour of preferential trade between Great Britain and her Colonies. Sentiment is all very well, but sentiment to which we give practical expression by improved business relations is still better. Let us show that our feeling in this matter is not merely a subject for empty talk, but that we are prepared to do something to give expression to it. I should infinitely prefer to deal with Great Britain, and with our fellow British subjects who are all interested in the maintenance and extension of the Empire, than with others who have no similar interests, who are jealous of our position, who have no wish for the good of our Empire, but whose hands would be raised tomorrow if a convenient opportunity arose for the purpose of trailing our national honour in the mud, and depriving us of the pride and glory, which, as a race, we have achieved. I recognise at the same time, though I have every hope as regards the cause, that preferential trade is not likely to be so speedy of accomplishment as we could wish. First it seems that Mr. Chamberlain has to convert the Kingdom, and the two Houses of Parliament. Then the policy has to be adopted by some Imperial Government which, having obtained the necessary authority, will make proposals to the other constituent parts of the Empire. It is difficult to say when that time will come. In my opinion the sooner it comes the better. May we do all that we can for the purpose of speeding its coming. We cannot do much, but nevertheless we can let it be known that

Australia is willing—nay anxious—to do all that lies in her power. She will not, I hope, be backward in coming forward when the time is ripe. May events combine to that end. I think we have good cause to be pleased with the attitude, which, under the guidance of the Government, appears likely to be adopted by the Commonwealth in this connexion. When the time comes for the consideration of details, may there be no unnecessary haggling, but may a fair regard be shown for both Australian and Imperial interests. This is a business matter which must be inquired into and dealt with by business people upon business lines. The sooner our trade relations are improved by mutual preferences the better. I believe that to-day public sentiment is in favour of preferential trade relations being brought about as early as possible, and I shall be glad if the Government do not hesitate to take the House into their confidence at any convenient moment, for the purpose of giving complete effect to a principle of which we generally approve. May Providence speed the day for the accomplishment of that end. I should like to make one or two observations in reference to our attitude as to the proposals of Imperial statesmen. I do not like the idea of anything in the shape of an invitation being extended to any Imperial statesman—whether he be a member of the Imperial Government or not—to visit Australia for the purpose of advocating his cause. It seems to me to be almost a confession of weakness—a confession of weakness I did not expect from this Government, and which was not needed, so far as they are concerned. For instance, suppose there are two high contracting parties, the Commonwealth and the mother country. It is infinitely better that, from the standpoint of Australian interests, the matter should be dealt with by the Australian Government, constituted by and responsible to the public of the Commonwealth.

Mr. DEAKIN.—Hear, hear.

Mr. KINGSTON.—On the other hand, it is better that the matter should be dealt with, from the point of view of the interests of Great Britain, by authorities responsible to the people of the United Kingdom. We do not want to trouble Imperial statesmen unnecessarily in Australian affairs. It is infinitely better that the Australian Government should make up its mind upon its policy, define it clearly, and then advocate it direct to the

people of this country. Then they can convey their views on the subject by correspondence or by any other method that may seem necessary to the Imperial authorities.

Mr. DEAKIN.—But this is a bargain to which there are two parties, the Commonwealth Government and the Imperial Government. We want to know the views of the other party, and they want to know ours. It was pointed out to Mr. Chamberlain that by coming here he would learn the Australian view, and we could learn the British view.

Mr. KINGSTON.—But look at this position. Mr. Chamberlain at this moment is not even a member of the British Government. But, apart from that, I venture to consider that the Prime Minister of this country can express the Australian view as regards the relations between the Commonwealth and Great Britain. It is infinitely better that the Australian Government, after conferring with the Australian Parliament in the usual constitutional way, should formulate a policy, than that some one should come from the other end of the world to intervene between the Government and the people—to usurp, or almost to usurp, the functions of the Government of the Commonwealth in a case of this sort. I do not like any interference between the Australian Government and the Australian people. There is a right of conference, but I am inclined, almost, to resent the idea that somebody who is under no obligation of responsibility to the Australian people should come here for the purpose of advising those who should properly and constitutionally be advised by the Government and by their representatives in Parliament.

Mr. DEAKIN.—To advise was not the purpose of Mr. Chamberlain's proposed visit. For instance, Sir John Cockburn, as an Australian, has been speaking on the platform in Great Britain expressing the Australian view of the question.

Mr. KINGSTON.—I am inclined to think that the Prime Minister will, on reflection, be disposed to doubt the wisdom of inviting a canvassing of the Australian people, I will not say behind the back of our Government, but between and apart from the people and their constitutional medium, the Australian Government, in a way which might not be in Australian interests.

Mr. DEAKIN.—Mr. Chamberlain would put his own views. We should not be responsible for them, nor would he be responsible for ours.

Mr. KINGSTON.—Would it be altogether a desirable thing in a matter of policy affecting the United Kingdom to send some one from here to England on a similar mission?

Mr. DEAKIN.—There is no reason why we should not. I wish the English people could hear my right honorable friend himself on the subject.

Mr. KINGSTON.—I should like to carry the point a little further. I think that the people of Australia ought in Federal matters to speak through their duly constituted authorities.

Mr. DEAKIN.—Hear, hear.

Mr. KINGSTON.—I do not like anything which looks like intervention between the people and those authorities. The right mode of expressing Federal sentiment by the people is through their representatives in both Houses of the Federal Parliament, and, of course, the Government acting in execution of the wishes thus expressed. I have noticed in one or two particulars what might be construed into a not too severe regard for this constitutional means of communication.

Mr. CROUCH.—Hear, hear; there is no doubt about that.

Mr. KINGSTON.—The Federal representatives and senators are the men who are most entitled to speak as constituting the Federal Parliament. I wish to see preserved the best relations with the States Governments. But the States Governments are not charged with responsibility for the expression of Federal sentiment. The Federal Government and the Federal Parliament are endowed with that responsibility. I notice in the Governor-General's Speech some reference to meetings with representatives of the different States Governments. I do not like to find fault with methods which tend to preserve harmony, but I doubt whether anything which gives the States Parliaments in Federal matters, by constituted practice, a habit in the expression of their views direct to the Federal Government, can be justified with due regard to the privileges of both Houses of the Federal Parliament. I think we ought to be jealous—not stupidly jealous, not wishing to find fault, or to discover a source of trouble where none really exists—of our constitutional privileges. Do not let us get into the habit of disregarding the ordinary means of communication between the Government and the people. We are a Parliament, and we have a right to be treated as such. In Federal

matters arrangements ought not to be made, as it were, behind our backs, or without our having an opportunity of expressing an opinion. In regard to these conferences between the Executive of the Commonwealth and the States Governments, must we not be careful lest we establish a practice of going behind the backs of the representatives of the people in this Parliament, and affecting arrangements as to which we have not been consulted and have not had an opportunity of expressing our opinion? How do honorable members regard the third paragraph of the Governor-General's Speech?

A discussion by a Conference of State Treasurers, under the presidency of the Treasurer of the Commonwealth, has produced a much better understanding of the difficulties surrounding these subjects, and And then it goes on—

a further meeting is proposed, when it is hoped that some mutually satisfactory arrangement will be attained.

What does that mean? There is to be a further Conference, where arrangements are to be made. Are we not to be afforded an opportunity in the meantime of expressing our views on the subject?

Mr. DEAKIN.—Of course any such arrangement would only be entered into for submission to Parliament. No Government could do anything without the consent of Parliament.

Mr. KINGSTON.—I understand that the Prime Minister recognises the impossibility of that?

Mr. DEAKIN.—Oh, absolutely.

Mr. KINGSTON.—I do not want to be hypercritical, but the Prime Minister notices the expression—

when it is hoped that some mutually satisfactory arrangement will be attained.

It might have been more happily expressed. It might have been made more clear that any arrangement was to be submitted for our approval.

Mr. DEAKIN.—As a matter of fact, that would have been put in, but we tried to avoid repeating phrases, and the phrase about submitting things for the approval of Parliament occurs very often in the speech.

Mr. MAHON.—Does the right honorable member allude to Ministers consulting States Governments or Ministers giving copies of Bills to newspaper reporters in order to get from them their views?

Mr. KINGSTON.—If that question has any reference to any specific circumstance, all I can say is that there is no comparison

between what the honorable member suggests and what is suggested here; and if he sees a resemblance it is simply a mark of his utter inability to appreciate the true position. I am sure that the Government and the House will agree with me that it is highly desirable that there should not grow up anything in the shape of a habit of curtailing the privileges of Parliament in connexion with Federal affairs, and of giving to other people, be they States Governments or not, an opportunity of interfering, which is not constitutionally conferred, particularly if it may be exercised to the prejudice of the great Parliament to which we have the honour to belong, and which is undoubtedly charged with the duty of giving the most faithful interpretation of Australian sentiment on Australian affairs to a degree which belongs to no other body.

Mr. DEAKIN.—Of course, my right honorable friend will see that in matters such as the transfer of the properties of the States the States Governments have to be considered and consulted. The Conference alluded to dealt with the transfer of properties, the method of payment, and so on.

Mr. KINGSTON.—I am sure the Prime Minister recognises the principle, and I am simply asking him to acknowledge the possibility of a precedent being established for the exercise by certain people of powers which do not belong to them.

Mr. DEAKIN.—I recognise the principle. But this arises out of the Constitution.

Mr. KINGSTON.—I am not saying that the precedent has actually been established, but that we have gone close enough to it. I trust that we shall not get any closer, but that the Parliament of the Commonwealth will enjoy to the fullest the power which it was intended to confer upon it by the Constitution—the right to voice for Ministerial guidance, as no other Parliament or persons can do, the Australian wish with reference to Federal affairs. There are one or two other matters to which I desire at this stage to refer. It has been suggested by several honorable members that the proportion of voters to the total number of electors who availed themselves of the privilege of the franchise at the last elections should have been much larger. It is most disappointing to find that in many cases the franchise was not availed of to the extent that it ought to have been.

Mr. MAUGER.—It was very largely exercised in my electorate.

Mr. KINGSTON.—And in many others; but I am inclined to think that there is something in the suggestion that the exercise of the franchise is not only a privilege but a duty.

Mr. DEAKIN.—The strict constitutional view is that it is a duty, not a privilege.

Mr. KINGSTON.—Quite so. The honorable member for Gippsland has stated that he is disposed to support the introduction of legislation for the application of compulsion, so that the constitutional view of the matter may be emphasized. In a great many cases the neglect to vote proceeds from laziness. On various occasions efforts have been made to meet the difficulty, but all provisions in this direction have failed. I believe, however, that if we were to impress on the mind of the elector the fact that it is his duty to vote, and that he will not save himself any trouble by refraining from doing so, we should obtain much improved results. As the honorable member for Gippsland has pointed out, a juryman who fails to attend at Court, in obedience to a summons, is liable to be fined. The electors are a great body of jurymen who have to deal with national affairs of infinitely more importance than such questions as that of whether John Jones stole a pair of boots.

Mr. CONROY.—Would the right honorable member compel an elector to read the newspapers in order to see what was going on?

Mr. KINGSTON.—I do not propose anything in that direction, but, I think, we might fairly provide for the imposition of a small penalty in the case of an elector who neglects to vote, and fails to file an excuse within a certain period. I should provide that any elector entitled to vote, who did not avail himself of that right, should be liable to a penalty, unless within one month he filed an excuse setting out the reason for his neglect, and paid a registration fee of half-a-crown on filing that excuse. If an elector who, instead of voting on polling day, attends a race meeting, discovers that he has to file an excuse and pay a registration fee of half-a-crown, he will consider, when the next elections come round, that it is better for him to vote than to go to the trouble of complying with such requirements.

Mr. JOHNSON.—But what would the right honorable member do in the case of an elector whose name had been left off the roll? Would he provide for the return of his registration fee?

Mr. KINGSTON.—The provision to which I refer, could apply only to those who are on the roll. There is power for an elector to apply to have his name placed on the roll up to within a short time before the elections. If a man who refrained from voting were put to as much trouble as if he had gone to the poll, and were called upon, in addition, to lose half-a-crown, he would take care to vote at the succeeding elections. That is what we desire to bring about. We do not wish to injure the electors, but to encourage them to vote.

Mr. MAUGER.—To offer them a mild inducement.

Mr. KINGSTON.—A fair inducement. I do not think that any one of us is satisfied with incomplete polling, which may operate to the disadvantage of one side, and the advantage of the other. It is our desire that all the people shall vote, and thus give clear expression to the sentiments they entertain. In these circumstances I shall be very happy to draft a Bill dealing with the question, and to place it at the disposal of any honorable member who may desire to introduce it. I shall be happy, indeed, to do all that I can to secure the passing of such a measure into law. Let us interest the people as much as possible in our doings; but let us interest them first of all in the elections themselves. Let us do what we can to secure a distinct declaration of the sentiments of the people.

Mr. JOHNSON.—Thousands of people applied to be enrolled, but were left off the rolls. What would the right honorable member do in such cases?

Mr. KINGSTON.—My only object is to induce people to take advantage of the franchise. It would be absurd to revive the mistakes which have been made in the past—mistakes such as that of imposing the penalty of disfranchisement on those who neglect to exercise the right. What we need to do is not to take away from such people the right to vote, but to see that they exercise it. To disfranchise a man because he neglects to vote is a revengeful and ridiculous proceeding.

Mr. BATCHELOR.—Because a man's eyes are closed are we to take them out?

Mr. KINGSTON.—Exactly.

Mr. JOHNSON.—Dozens of persons in my electorate whose names appeared on the exhibited lists found in the end that their names had been left off the roll.

Mr. KINGSTON.—If we took the step I have suggested it would encourage public

officials to see to the careful registration of voters. There would be a more wholesome feeling if we had a more general exercise of the franchise. The sooner we take action in the matter the better it will be. Reference has also been made to the question of the parliamentary allowance. I have never looked upon £400 a year as being sufficient for the services rendered by members of this Parliament, particularly in view of the long distances which many honorable members have to traverse, and the fact that they must either keep up two homes or subject themselves to great inconvenience and expense. I have always advocated the larger allowance of £500. I did so at the last elections, and it is a question to which attention should be given by the Government. I do not know that they addressed themselves particularly to it at the general elections, but if they did, and now see their way to bring the matter before the notice of the House, I shall not depart in any way from the position I have taken up. Four hundred pounds is not in many cases a proper remuneration for the services rendered by honorable members. I note the statement in the Governor-General's Speech that the Government propose to introduce a measure relating to the encouragement of iron and steel works by the granting of bonuses, and I hope that these proposals will take practical shape at an early date. There is perhaps even greater necessity for the early settlement of the question of bounties to agriculturists, because, in the natural order of things, the granting or withholding of these bounties must shortly affect the actions of our farmers with reference to planting. I hope that the Government will be able to introduce these proposals at an early date, and press them forward without undue delay. We have also a reference in the Governor-General's Speech to the construction of the railway to connect Western Australia with the eastern States. I have left no room for doubt as to my support of that proposal, and I shall strongly advocate it, believing that the line will be highly beneficial. I trust that the scheme will include the construction of a line not only from Port Augusta to Kalgoorlie, but from Kalgoorlie to Esperance, which I honestly believe would confer on both the east and west double the advantages that would be gained by the mere construction of the main line, with no connexion between Kalgoorlie and Esperance. The overland line, pure and simple, would be chiefly useful for the carriage of mails

and the conveyance of emergency passengers. The requirements in regard to the carriage of heavy machinery and ordinary freights can only be well met by full advantage being taken of the comparatively short distance between Kalgoorlie and Esperance—a distance of 225 miles.

Sir JOHN FORREST.—Esperance is 230 miles from Coolgardie, and I think it is about 250 miles from Kalgoorlie.

Mr. KINGSTON.—Is a difference of 10 per cent. worth grumbling about in a matter of 200 miles?

Sir JOHN FORREST.—Yes, when it is 10 per cent. over and not under.

Mr. KINGSTON.—I suppose that the distance will be reckoned from Kalgoorlie as the nearest point?

Sir JOHN FORREST.—No, Coolgardie.

Mr. KINGSTON.—The distance is 225 miles from the nearest convenient point of contact.

Sir JOHN FORREST.—It is 230 miles. Some people say that it is only 200 miles. They wish to exaggerate in the other way.

Mr. KINGSTON.—I take 225 miles as a fair estimate. We need to be careful in matters of this sort. I take it that we will not be disposed to consent to any Federal expenditure being applied in such a way that it may unfairly advantage one part of a State, or of the Commonwealth, over another. If we require to expend money to improve the means of communication between east and west, let us expend it for the benefit of all. I have no desire at the present moment to go over the various arguments upon this question. I have heard honorable members from the Western Australian gold-fields make the strongest statements regarding the iniquity, I might almost say the iniquity, of the present state of affairs.

Sir JOHN FORREST.—The right honorable gentleman does not say it is an iniquity, I hope? He knows very little about it in any case. It does not become him to say that it is an iniquity.

Mr. KINGSTON.—It would better become my right honorable friend if he were to endeavour to control his emotions. At the present time he is distinctly rude, to say the least of it.

Sir JOHN FORREST.—When the right honorable gentleman speaks of the Government of Western Australia being guilty of an iniquity it is time for me to say something.

Mr. KINGSTON.—Is the Minister for Home Affairs sitting in this Chamber as

the representative of the Executive of Western Australia, or as a member of the Federal Government?

Sir JOHN FORREST.—I am here to protect Western Australia against any insinuation which may be made against that State.

Mr. KINGSTON.—Any insinuation—good gracious! And the right honorable gentleman sat here and heard two honorable members from the Western Australian gold-fields describe this thing in well set terms, and in a manner which should have made his blood boil.

Sir JOHN FORREST.—I was not here.

Mr. KINGSTON.—Then the right honorable gentleman ought to have been here. It was put by those honorable members that this was done for the benefit of the people of Perth; that it was a policy worthy of Caligula and Agrippa; that old men and young children were dying on the gold-fields; and that it was not a question of convenience, but a question of health and comfort, and even of existence.

Sir JOHN FORREST.—Wonderful!

Mr. KINGSTON.—Wonderful? Iniquitous!

Sir JOHN FORREST.—Considering that they had a railway down to the coast, and have had it for years.

Mr. KINGSTON.—To Bunbury?

Sir JOHN FORREST.—No, down to Perth and Fremantle.

Mr. KINGSTON.—That explains what those honorable members have said. They have said that what has been done was done for the benefit of the Perth land-holders, and that children were being sacrificed.

Sir JOHN FORREST.—The right honorable gentleman knows a lot about that.

Mr. KINGSTON.—I do. Those honorable members spoke with authority, and with warmth.

Sir JOHN FORREST.—We take hundreds of children to the coast every year.

Mr. KINGSTON.—They put it as parochialism in its very worst form—that hard-working men, as the gold-miners certainly are, were not only being inconvenienced, but were being exposed to risks, difficulties, and even danger to life, that the land-owners of Perth might make a profit. That is what they said, and that is what they believed. Why was it not contradicted before?

Sir JOHN FORREST.—I contradict it now.

Mr. KINGSTON.—The right honorable gentleman contradicts it now, when he is driven into a corner.

Sir JOHN FORREST.—No, I contradict it on the first opportunity, when I hear it from the right honorable gentleman.

Mr. KINGSTON.—What avails the contradiction? The facts remain. There is no getting away from them.

HONORABLE MEMBERS.—Hear, hear.

Sir JOHN FORREST.—Those who say "Hear, hear" do not know anything about the facts.

Mr. KINGSTON.—We have the right honorable gentleman's word for that.

Sir JOHN FORREST.—And a very good word, too; one in which the people of Western Australia believe.

Mr. McDONALD.—Yet the right honorable gentleman was only able to secure the return of one representative whom he supported, and that was himself.

Mr. JOSEPH COOK.—What is the honorable member talking about? The right honorable gentleman is Western Australia.

Mr. KINGSTON.—Oh, he is Western Australia! That accounts for it. I hope that if we spend Federal money we shall do it in a Federal spirit for a Federal work for the benefit of the Federation generally. I trust we shall not be guided by petty and parish motives, which have influenced action on other occasions, for the benefit of one part of a district or of one State as against another.

Sir JOHN FORREST.—I hope that people will keep their word.

Mr. KINGSTON.—And in the interests of the land-owner, and to the detriment, discomfort, and death of hard-working miners.

Sir JOHN FORREST.—Death! This is very different from what the right honorable gentleman told me when he was trying to get Western Australia to come into the Federation.

The SPEAKER.—Order! The right honorable member will have the right to speak later.

Mr. WATSON.—What has Federation to do with the construction of a railway to Esperance any more than with the construction of developmental railways anywhere else?

Mr. KINGSTON.—The construction of this line is necessary to improve the communication between different parts of the Commonwealth.

Mr. WATSON.—But the same might be said of railways in other States.

Mr. KINGSTON.—If there are any such, to which my remarks can be applied, let them be attended to. The honorable member will not find me advocating one

policy for one State and a different policy for another.

Mr. WATSON.—This opens up a very wide vista.

Mr. KINGSTON.—All I can say is that the opening up of a port by railway extension may be an improvement in communication of the very greatest importance.

Sir JOHN FORREST.—Why not a line from Penola to Casterton?

Mr. KINGSTON.—All right; the right honorable gentleman had better look into it.

Sir JOHN FORREST.—The right honorable gentleman would not support it.

Mr. TUDOR.—Or from Mount Gambier to Portland?

Mr. KINGSTON.—I hope that if the Federal construction of a railway is advocated from Mount Gambier, it will be such an extension as will be to the best advantage of the whole Commonwealth.

Sir JOHN FORREST.—Why did the right honorable gentleman promise to do this making no mention of Esperance Bay?

Mr. KINGSTON.—Would it not mean a double advantage. Does the right honorable gentleman want to block up Esperance Bay so that everything will have to go to Perth and Fremantle?

Sir JOHN FORREST.—What about the right honorable gentleman's promise?

Mr. SPEAKER.—Order. The Minister for Home Affairs will have an opportunity of speaking later, if he so desires.

Sir JOHN FORREST.—The right honorable gentleman is departing altogether from his promise to me.

Mr. KINGSTON.—What an unruly looking object! I say that we need to exercise every care in dealing with this and other matters to see that the best result is secured. I remember that when Federation was proposed it was argued that Western Australia was, as regards her Customs, entitled to special consideration. We were asked to consider what her loss would be through intercolonial free-trade. It was contended that hers was a special case, and that she must have special provision made to meet it. We were told that there was no other State in a similar position; that on account of the amount of her Inter-State imports, on which in the ordinary course she would lose duty after Federation, no State stood to sacrifice so much as Western Australia. I confess I was impressed with those statements. They impressed the whole Convention very much. I do not hesitate to say

now that they impressed the Convention too much.

Sir JOHN FORREST.—The right honorable gentleman was never very much in favour of the proposal made.

Mr. KINGSTON.—I never was very much in favour of it. I think that all along I was against the right of Western Australia to continue to tax Australian goods. I may tell honorable members that this was granted only on the representation that her case was exceptional, and that on account of her losing Inter-State duties, she would sacrifice more than would any other State. But the position, to my mind, was not put quite as it ought to have been. The members of the Convention would never have consented to give Western Australia that power if they had not believed that her position was exceptional, and that she would lose more than would any other State. By the light of events, the representation then made has been altogether falsified. Western Australia's position was not the worst, nor was it anything like the worst. Two things should have been considered: There was the loss to the State on Inter-State duties by the establishment of Inter-State free-trade; but there was another feature which to some extent was overlooked, and that was the way in which the Federal Tariff would compare with the Tariff of Western Australia. Was the Western Australian Tariff a high one, or was it not?

Sir JOHN FORREST.—It was not very high.

Mr. KINGSTON.—There was an impression which has been dispelled only by the light of subsequent events, that it was a high Tariff. No doubt there were large receipts, but that was due, not to the scale of the Western Australian Tariff, but to the volume of trade.

Mr. FOWLER.—And the general prosperity of the State, with its greater consuming power in proportion to population.

Mr. KINGSTON.—Just so. As a matter of fact, the Western Australian Tariff was a low Tariff. It was lower than the Tariff of South Australia. I tell honorable members that it was so low that although that State would have lost on her Inter-State duties if she had not been permitted to continue to exercise the power of taxation on Australian goods, she gained so very largely from the higher rate of the Federal Tariff, that her receipts on foreign imports in the first year of the Federal Tariff were on over-sea imports only, more than

£100,000 greater than were her receipts from all imports in the year before the Federal Tariff was enforced. But she industriously claimed, and was successful in getting, a special provision on the plea I have stated.—

Sir JOHN FORREST.—Well it was a *bona fide* plea at the time. The right honorable gentleman must admit that? We could not look into the future and forecast what was going to take place.

Mr. KINGSTON.—Western Australia got a special relaxation of one of the vital conditions of the Constitution, on the ground of impending loss.

Sir JOHN FORREST.—She would not have joined the Federation without it if I could have helped it. I should never have been a party to her joining without it.

Mr. KINGSTON.—But instead of being a loser, in the first year of the Federal Tariff, on over-sea imports alone, she received £100,000 more than she got the year before Federation on all imports.

Sir JOHN FORREST.—She would have lost without it, as the right honorable and learned member knows.

Mr. KINGSTON.—And what has she got under the special Tariff? In the first year she got £275,000, and in the second year, I think, about £225,000. During the two years' operation of the Federal Tariff not only has there been no loss, but she has received £680,000 more than she would have received if she had not joined the Federation.

Sir JOHN FORREST.—The population had increased, as the right honorable and learned member knows.

Mr. KINGSTON.—If the right honorable gentleman tells me that it was because the population had increased, I would point out that a sum of at least £400,000 was obtained owing to the reservation of a special power of taxation.

Sir JOHN FORREST.—No.

Mr. KINGSTON.—And, in addition, she got £200,000 odd, because of the provisions which were inserted in the Constitution, to recoup only. There was no loss to recoup; there was gain, and, in addition, she uses to the full extent the powers which, for the purpose of indemnity, were granted to her in the respect to which I have referred.

Sir JOHN FORREST.—The right honorable and learned member seems to have a "down" on Western Australia.

Mr. KINGSTON.—I have no "down" on the State.

Sir JOHN FORREST.—It seems to me that the right honorable and learned member has.

Mr. KINGSTON.—I have many friends in that State—men who have gone from my own dear State, and between whom and myself the best relations continue to exist.

Sir JOHN FORREST.—What does the right honorable and learned member want to do?

Mr. KINGSTON.—I submit that, under all the circumstances, it is well that we should know what mistakes were made. I wish the facts to be made known, and to be considered. Let honorable members bear this in mind: Western Australia posed as the State most likely to be unfortunate under all the conditions, and it received special assistance. Has it proved its right to this special assistance by the realization of the state of affairs which was forecast, and on which this claim was based?

Sir JOHN FORREST.—It has kept a large proportion of the people in the other States for many a year. The right honorable and learned member need not be "down" on it.

Mr. SPEAKER.—Order!

Mr. KINGSTON.—There are States which were entitled to consideration. Which are they? Queensland, in the north, has been a sufferer.

Sir JOHN FORREST.—We helped her with the Tariff and the sugar bounty.

Mr. DEAKIN.—Chair!

Mr. KINGSTON.—We are not helping Queensland on the ground of any claim upon our forbearance on account of the alteration of her Tariff. Queensland had a 25 per cent. Tariff, Western Australia a 15 per cent. Tariff, and Tasmania a 20 per cent. Tariff. Instead of the Tariffs of Queensland and Tasmania being raised like that of Western Australia, they were reduced, and Queensland suffers a loss of £200,000 a year, and little Tasmania a loss of £100,000 a year. There is no special consideration shown for those States.

Mr. McWILLIAMS.—In Tasmania we have lost 30 per cent. of our Customs revenue.

Mr. KINGSTON.—These are the States which were fairly entitled to consideration but which are not receiving any.

Sir JOHN FORREST.—We paid the money out of our own pockets, as the right honorable and learned member must remember.

Mr. KINGSTON.—All I can say is that Western Australia raised £400,000 of the money by a tax on Australian goods, thereby

depriving the rest of the States for a limited term to the chief benefit which each State expected to derive from Federation—Inter-State free-trade.

Sir JOHN FORREST.—We buy £3,000,000 worth of goods from the other States every year, anyway.

Mr. KINGSTON.—The position is that Western Australia was not entitled to special consideration, while Queensland and Tasmania—who were deprived of their Tariffs—have received no consideration.

Sir JOHN FORREST.—We get no consideration.

Mr. DEAKIN.—Chair!

Sir JOHN FORREST.—We get nothing from any one. We pay everything out of our own pockets, as the right honorable and learned member knows.

Mr. KINGSTON.—I have no doubt that Western Australia pays nothing which she can avoid.

Sir JOHN FORREST.—No other State pays anything to Western Australia; the people tax themselves and pay.

Mr. KINGSTON.—I have referred to these matters in order that honorable members may appreciate the position as it is, and with a full recognition of the facts, come to the conclusions which ought to be reached. I am sorry that I have taken up so much time, but on an occasion of this kind it is just as well that we should speak our minds.

Sir JOHN FORREST.—Poor old Western Australia!

Mr. KINGSTON.—"Poor old Western Australia." Of course, there are some things on which Western Australia may be congratulated, and one is the fact that the right honorable gentleman is here instead of elsewhere. I hope that when this debate is concluded, the Government will let us have the work in the most convenient shape, and I promise them it shall receive my best consideration.

Mr. FOWLER (Perth).—We have all listened with interest to the honorable member for Adelaide. No one, I think, will object to my statement that we can very well attend carefully to what he has said, and even where he was most severe on some of us, we can perceive still a kind-hearted endeavour to turn us into what he thinks straighter paths. I welcome the scintillating of these thunderbolts which have been hurled at the heads of Western Australia's representatives for the last half-hour. They indicate to me the gratifying fact that the right honorable and learned member who launched

them has recovered to a considerable degree that strength and vigour which we all hoped for from the change of scene which he enjoyed a little while ago. I sincerely trust that for many a day to come we shall continue to be favoured with these thunderbolts—not lessening in their brilliancy, and keeping the House at times in a condition of activity—for which I think we are all obliged to their author. I am glad to say that in very many respects I find myself at one with the right honorable and learned member, and when I do unfortunately differ from him, it causes me very grave and serious searching of heart and mind, lest I should unhappily have gone somewhat astray. I have so much respect for the right honorable and learned member that I have a tendency at times to admit that I am in the wrong, where I find myself differing from him. It is, therefore, necessary for me on such occasions to investigate very carefully and as impartially as I can the position which I occupy. On one or two matters on which I am unfortunate enough to differ from him, I have taken that course, and so far as his references to Western Australia are concerned, I trust to be able to show the House, as briefly as possible, that I, in common with my colleagues in the representation of that State, have every justification for the attitude which I take up. The right honorable and learned member waxed very vigorous indeed in his denunciation of the people of Western Australia, in connexion with the existence of a sliding scale, which I freely admit has been of considerable advantage to its Treasurer. I wish to point out a fact of which I thought the right honorable and learned member was cognisant—that the representatives of Western Australia at the Federal Convention which obtained that sliding scale were not speaking on behalf of the people of the State. The vast majority of the people of Western Australia were entirely opposed to the provision for a sliding scale, and would have put it aside if at any time they had been able to do so.

Sir JOHN FORREST.—Not a vast majority.

Mr. FOWLER.—At any rate a decided majority.

Sir JOHN FORREST.—The honorable member might say a great number.

Mr. FOWLER.—In those days, when the Federal Convention was constructing the Constitution, Western Australia had a Parliament representative of only a very small

section of the community; a large number of the people were unrepresented there. The representatives who were sent to the Convention were not elected by the people of the State, like the representatives of the other States, but were appointed by what was really a nominee Parliament.

Sir JOHN FORREST.—No, no.

Mr. FOWLER.—The Western Australian Parliament was at that time undoubtedly little better than a nominee Parliament.

Mr. WATSON.—Did Parliament nominate the representatives, or were they nominated by only one gentleman?

Mr. FOWLER.—I will put it that the representatives were nominated by a nominee Parliament.

Sir JOHN FORREST.—The Western Australian Parliament is not very different now from what it was then.

Mr. FOWLER.—In my opinion the Western Australian Parliament is different now, and I give the Minister for Home Affairs the credit of endeavouring, as Premier of that State, to improve the position of affairs when the people clamoured so loudly that it was, perhaps, from the point of view of his own party, advantageous to concede reform. At any rate, the representatives of Western Australia at the Federal Convention demanded a sliding scale, ostensibly because the local revenue would suffer if that State entered the Federation, but really, by imposing a tax on the food of the people, to protect the interests of a handful of farmers and squatters who at that time dominated the local Parliament. As the Minister for Home Affairs interjected when the right honorable member for Adelaide was speaking, the people of Western Australia undoubtedly paid that taxation out of their own pockets, and that fact in itself is conclusive proof that if they had been able, they would not have asked for, but, on the contrary, would have bitterly opposed, the institution of the sliding scale. It is not in harmony with the chivalrous disposition of the right honorable member for Adelaide for him at this juncture to throw the sliding scale in the teeth of the Western Australian people.

Mr. KINGSTON.—I do not think I did so.

Mr. FOWLER.—At any rate, the right honorable member should know that if the people of Western Australia then, or at any subsequent time, had been able to abolish the sliding scale, they would have done so.

Sir JOHN FORREST.—They can do so at any time they like.

Mr. FOWLER.—But, even at the present time, there is a majority in the Western Australian Parliament who would oppose the abolition of the sliding scale.

Sir JOHN FORREST.—I think so too.

Mr. FOWLER.—And that majority does not represent the ideas of the community. As one who took an active part in the Western Australian Federal campaign, which was bitterly fought for a number of years, I can say that the federalists of that State, who were the large majority, would a hundred times rather have had a transcontinental railway than the sliding scale made a condition of the union. I believe, further, that if that railway had been demanded as a condition, it would have been granted and embodied in the Constitution.

Sir JOHN FORREST.—I do not think so.

Mr. FOWLER.—Unfortunately, the construction of a transcontinental railway is not provided for in the Constitution in black and white; but the federalists of Western Australia, while battling for the union, secured from the leaders of the movement throughout Australia, such promises as entitled them to tell the electors of the Western State that if they agreed to Federation, a line would follow. As a proof of that, there are on record declarations by Sir Edmund Barton, by the Prime Minister, by you yourself, sir, and, most emphatic of all, by the right honorable and learned member for Adelaide, that if Western Australia federated the railway would be provided.

An HONORABLE MEMBER.—That was a bribe.

Mr. FOWLER.—It was no more a bribe than the promise of the Federal Capital was a bribe to New South Wales. Although the construction of the railway is not a condition set down in the bond, the Western Australian people are, in my opinion, as fully entitled to it as are the people of New South Wales to the immediate provision of a Federal Capital. This question is now complicated in the most remarkable way, with what is called the Esperance railway scheme, and I should like to briefly explain the position. The Government of Western Australia is accused, by the right honorable and learned member for Adelaide, of ignoring the interests of the people of the gold-fields, by refusing to provide this new means of railway communication from the coast, and

he urges that the line ought to be constructed by the Federal authorities, in order to combat the fostering of what he regards as the selfish interests of the dominant body in Perth. But Western Australia has simply followed the same policy of railway construction that has been followed throughout the States of Australia, namely, a policy of centralizing all trade in the capital city.

Mr. KINGSTON.—Does the honorable member approve of that policy?

Mr. FOWLER.—Even the right honorable and learned member for Adelaide has assisted to carry out a similar policy in his own State.

Mr. KINGSTON.—I opened up every port.

Mr. FOWLER.—I think it could be shown, if necessary, that in certain districts in South Australia, the conditions would justify the interference of the Federal authorities in the matter of railway construction, just as much as do the circumstances in Western Australia. The gold-fields may be somewhat unfortunately placed, but the position at the present time is one of natural development. There is a railway from Fremantle to some distance beyond Kalgoorlie, and that railway has been pushed out gradually, step by step, from the capital city. It was first taken to Southern Cross, then to a point half-way between that place and Coolgardie, and eventually right on to the centre of the gold-fields. It was very natural that the railway should run from the capital into the mining localities, as these were being developed and proved worthy of railway communication. Why is it argued that there should be a railway from Kalgoorlie to Esperance? The right honorable and learned member for Adelaide indulged in some rhetoric about the requirements of health, dying children, and so on; but it must be remembered that the proposed line would run 250 miles into a miserable sand-patch on the Australian Bight. How many working men—even supposing they were able to do so—would care to send their children that distance to such a place?

Mr. FRAZER.—Has the honorable member ever been to Esperance?

Mr. FOWLER.—No; but I have been to a point not very far distant, and I have a pretty good idea of what the place is like.

Mr. FRAZER.—I can assure the honorable member that Esperance is a very nice little town.

Mr. FOWLER.—It is extremely unlikely that at the present time, or for many a day to come, sick people and others requiring to leave the gold-fields on account of their health would go near Esperance.

Mr. FRAZER.—They cannot go there now.

Mr. FOWLER.—We are told, in addition, that if this railway were constructed, the means of communication between the gold-fields and the eastern States would be very much improved. I firmly believe that there ought to be land communication between east and west ; but a railway between Esperance and Kalgoorlie would not get over the difficulties created by the absence of a transcontinental line. After the journey of 250 miles to Esperance, there would still be a sea voyage to Adelaide ; and I ask honorable members to consider for a moment which of the two routes would be the more popular with the people on the gold-fields. Travellers would have to remain at Esperance until they could secure a boat to carry them to Port Adelaide, whence there would be another railway journey to the city. On the other hand, if there were a transcontinental railway, a traveller would step on board the train at Kalgoorlie, and in thirty-six hours would be in Adelaide. How many people would care to spend time and money on the round-about journey *via* Esperance, when they had to face all these changes, and the delay and trouble involved by the repeated handling of luggage ? So far as passenger traffic is concerned the construction of the Esperance line would, in my opinion, prove a waste of money. We are told, however, that the line would be convenient for the transference of cargoes and goods generally ; but I do not believe that even in this respect the route would receive much patronage. The handling of cargo would result in damage and expense, and although the rates on the transcontinental line might be a little higher, the advantages would be so great that it would be used to carry the greater quantity of goods from the eastern States. The agitation for a line to Esperance, so far as the Federal Parliament is concerned, was very largely the work of one gentleman whom the electors found it necessary to displace ; and I am quite willing that the right honorable and learned member for Adelaide should take his information from the new member for Kalgoorlie. I feel quite sure that whatever views the honorable member for Kalgoorlie may entertain about the Esperance railway,

he would not block the construction of the transcontinental line until the Esperance scheme was adopted also by the Federal Parliament.

Mr. FRAZER.—Quite so.

Mr. FOWLER.—This leads me to the question of the scope and operation of the Arbitration Bill, or the Navigation Bill, or both, in connexion with the shipping trade of Australia. The right honorable and learned member for Adelaide dealt at some length with this subject, on which I admit he is an authority ; and he urged, with a considerable amount of force, the claims of seamen to consideration from this Parliament. I agree that seamen, in common with all workers, are entitled to consideration when these measures are before us ; and I should be the last to refuse them that degree of justice to which they are entitled. But the right honorable and learned member for Adelaide, and those who think with him, altogether beg the question when they demand protection for Australian seamen. It is assumed that the conditions of competition inflict hardship on, and that there is a species of competition at work which is unfair to, Australian seamen. I deny both these premises. In my opinion the Australian seamen, to use a sporting phrase, "stand on velvet."

Mr. PAGE.—I am surprised to hear the honorable member say that.

Mr. FOWLER.—I think I can prove the truth of my statement. When we talk of competition, we must be careful to include all the circumstances of the competition. It is no argument for a man to say that he is entitled to a greater degree of consideration than another upon one particular point if there are other phases of the question which neutralize his contention. If it can be shown that the employers of Australian seamen are able to pay higher wages than are paid by the employers of the crews of the ocean-going mail steamers, I think that the plea raised on behalf of the Australian seamen appears unnecessary.

Mr. TUDOR.—Is that a reason why the English companies should sweat their seamen ?

Mr. FOWLER.—There is, in this connexion, no question of sweating any man. The question is, do the seamen on board the ocean mail steamers come into competition with those on board the Inter-State steamers ?

Mr. PAGE.—Undoubtedly they do.

Mr. FOWLER.—It is impossible to prove that they do in the slightest degree. I know something about the general conditions on board the Inter-State steamers. I have travelled between my own State and the eastern States frequently for many years past, and, if necessary—though I do not think that it is required of me at this juncture—I could give honorable members some rather surprising particulars from my own experience of the way in which the steamers are managed in the interests of their owners, and to the detriment of the persons who use them. Western Australia having endured for some years the unsatisfactory conditions imposed by a monopoly, the mail steamers began to call at Fremantle, and immediately there was an appreciable improvement in the conditions of travelling upon the Inter-State boats.

An HONORABLE MEMBER.—The ring was broken up.

Mr. FOWLER.—Unfortunately, the ring still exists, but the calling of the mail steamers at Fremantle has had a very wholesome effect upon the conditions of travelling upon the Inter-State steamers. The proprietors of the Inter-State steamers make enormous profits because of the monopoly which they still enjoy in regard to the carrying of cargo. The mail steamers carry practically no cargo from one Australian port to another; they simply bring cargo from Europe and deliver it at their various ports of call in the Commonwealth, on their return picking up cargo at those ports for delivery in Europe. Undoubtedly, passengers and mails are carried from port to port on the coast by the mail steamers, but the fact that the passenger rates on the average are 30 per cent. higher on the mail steamers than on the Inter-State steamers shows that there is no competition.

Mr. TUDOR.—What about the freights?

Mr. FOWLER.—Upon the average an Inter-State cargo steamer gets three times more for carrying goods from Sydney to Fremantle than a mail steamer gets for carrying goods from Sydney to Europe. Assuming that the one voyage takes about half as long as the other, honorable members will see the tremendous advantage which the proprietors of the Inter-State steamers have over the proprietors of the mail steamers. The owners of the Inter-State steamers pay to their men wages about twice as high as are paid on mail steamers, but under the conditions referred to they can afford to do so.

Mr. TUDOR.—The wages paid upon the Inter-State steamers are about three times as high as the wages paid on the mail steamers.

Mr. FOWLER.—The proprietors of the Inter-State steamers could afford to pay their men four times as much as is paid to the men on the mail steamers. Under the circumstances, what competition is there between the two classes of steamers tending to bring down the rates of wages paid to the Australian seamen? The mail steamers take no cargo from the Inter-State steamers, and it is the amount of cargo carried that determines the prosperity of these shipping companies. While in many instances the mail steamers have not been able to make the slightest profit, the Inter-State steamers have been piling up huge fortunes for their owners. Furthermore, the Australian shipping companies have been making more money than they know what to do with in the ordinary way of paying profits, and have been building new steamers out of revenue. If I cared to go into details on this subject I could tell a marvellous tale of the prosperity which has followed the increase of the shipping trade between Western Australia and the eastern States.

Mr. PAGE.—Yet the Brisbane River is full of steamers which have been laid up.

Mr. FOWLER.—We have been told that, if we impose the rule demanded by the right honorable member for Adelaide, all that will happen is that passengers to Western Australia will have to pay slightly higher fares. If that were the only result of its application, I should not offer such a strenuous opposition to the right honorable member's proposals. There is, however, a great deal in this move which is not altogether on the surface, and it is just as well that it should be made perfectly obvious at this stage of our proceedings, because, no doubt, the matter will come up again. I have here a cutting from the *South Australian Register* of the 6th October, 1903. It contains the substance of an address delivered by the Honorable R. S. Guthrie at a meeting held in Adelaide under the auspices of Branch No. 1 of the A.N.A. He was speaking upon the question of shipping, a subject upon which he was well able to speak, being, I believe, secretary to the Seamen's Union, and having occupied that position for some years. But, unfortunately for those who are agitating with a view to secure a monopoly for Australian steam-ship owners, Senator Guthrie rather imprudently gave his case

away. Let me quote a small portion of his address. He said—

The policy of the future depended upon development, but in the meantime he was prepared to advocate the extension of the provisions of the Arbitration Act in the direction of including all ships trading between the ports of the Commonwealth. At the same time, he would relieve Australian shipping companies of port and light dues, and compel the foreign firms to make up the amount.

That proposition is so manifestly unfair that it requires no comment from me. Senator Guthrie shows a strong bias when he suggests that port and light dues should be imposed upon foreign shipping firms, and that the local companies should go free. He goes on to say—

The time was not far distant when mail steamers would have to abandon their coastal trade. He did not know any part of the world where such liners as the P. and O., Orient, and so on, traded from port to port. The day would come when the goods carried by those boats would be discharged into smaller coasting vessels, and when that day arrived, Port Adelaide by its geographical position would become the first Australian port.

Mr. LONSDALE.—That is in the interests of Adelaide.

Mr. FOWLER.—Certainly it is. The ostensible object of these gentlemen is to protect Australian seamen from competition, which, as I have attempted to show, is purely imaginary; but their real aim is to make Port Adelaide a great distributing centre.

Mr. HUTCHISON.—That is if the circumstances warrant it; it will not become a great distributing centre otherwise.

Mr. FOWLER.—If the circumstances warrant it, well and good, but I protest against any artificial attempts to bring about the desired result.

Mr. TUDOR.—The object is to prevent the British shipping companies from sweating their sailors.

Mr. FOWLER.—Can we prevent English employers from sweating their workmen?

Mr. TUDOR.—We can if they trade along our coast.

Mr. FOWLER.—If the honorable member thinks that we can prevent the British shipping companies from sweating their seamen he is more simple than I thought. What would happen if we attempted to impose such conditions as have been suggested? If the British steam-ship owners made up their minds that our trade was worth having, it would be the simplest thing in the world for them to evade the law.

Mr. PAGE.—Why do the shipping companies make Fremantle a port of call now—

to benefit the people of Western Australia or themselves?

Mr. FOWLER.—They call there to benefit themselves, and I am not arguing on any other basis. I contend, however, that whilst they are benefiting themselves they are conferring an advantage upon the whole of Australia, and that the policy of those who would interfere with the mail steamers is to benefit one port at the expense of all the others. It would be the simplest matter possible for any oversea company to evade the conditions which some honorable members desire to impose. They pay their sailors a certain sum per month, and there would be nothing to hinder them from making a bargain with seamen in the port of London for the round trip, paying the Australian rates whilst the vessels were on our coast, and compelling the sailors to go without wages for a time when they left our shores, in order that their pay might be kept down to the average English rate.

Mr. TUDOR.—Any law can be defeated by collusion between two or more parties.

Mr. FOWLER.—It would be utterly foolish for this Parliament to attempt to pass legislation that could not be carried out.

Mr. TUDOR.—According to the honorable member, nothing can be done, even when the railway is built.

Mr. FOWLER.—The construction of the railway between South Australia and Western Australia has nothing whatever to do with this question. So far as that work is concerned, however, I will go so far as to say that if South Australia assisted us to secure the transcontinental railway I should be perfectly willing to concede the common rule.

Mr. TUDOR.—That would be a case of "thank you for nothing," because, according to the honorable member, the law could not be enforced.

Mr. FOWLER.—If they thought they could enforce the law, I should be willing to concede it to them, and to give them my opinion for nothing. I wish to indulge in a little prophecy—although, as the American humourist says, "it is not wise to prophesy unless you know." I believe that if the railway to Western Australia were constructed, South Australia would be the last State in the Commonwealth to demand the application of the common rule. Why? Because its undoubted effect, with the railway in existence, would be to concentrate trade, to a very large extent, in Fremantle. I believe that that port has a large future

before it, and that it will become, naturally, and without any artificial aids, the depôt of a great deal of the European trade with Australia; just as by reason of its geographical position Sydney now has almost a monopoly of the American trade. I should, however, be the last to ask that artificial means should be used to bring about that result. So far from desiring to restrict the mail steamers to one port, I am anxious that the whole of the States should have the fullest means of communication with the outside world. I believe that even the people of Queensland are by no means anxious to support a policy that would have the effect anticipated by those who are moving in the direction indicated by the right honorable and learned member for Adelaide. Not long ago the representatives of Queensland formed a deputation to the Premier to ask that Brisbane should be made a port of call for the English mail steamers.

Mr. GROOM.—All we wanted was equality of treatment.

Mr. FOWLER.—And that is all that Western Australia asks for, or expects. I believe that the representatives of Queensland have a perfect right to ask that the mail steamers shall call at Brisbane; but if they desire to bring about that result they must withhold their support from the policy of the right honorable and learned member for Adelaide. I trust that Western Australia will receive the consideration to which she is fairly entitled, and that the issues will be perfectly clear to honorable members before they vote upon them. I am sorry that the question has been raised to-day in such a thin House, but I have no doubt that it will be again discussed at a later stage. In any case, I can assure honorable members that Western Australia feels very strongly upon this particular subject, and that most strenuous opposition will be offered by her representatives, and by the people themselves, to any attempt to increase her isolation. When one fully realizes the intent of the present agitation, it cannot fail to impress him as being monstrous. The very persons who are endeavouring to deprive Western Australia of the advantage conferred upon it by reason of the mail steamers calling at Fremantle, are those who are most bitterly opposed to the construction of the transcontinental railway. They will give us neither one thing nor the other. Under such circumstances, I am sure that the feeling of fairness which animates honorable members of both Houses of this Parliament will be

definite enough, when the time comes, to prevent such an injustice being inflicted upon the State which I have the honour to represent.

Debate (on motion by Mr. SYDNEY SMITH) adjourned.

House adjourned at 3.52 p.m.

House of Representatives.

Tuesday, 15 March, 1904.

Mr. SPEAKER took the chair at 2.30 p.m., and read prayers.

ELECTION PETITION.

MALONEY V. MCEACHARN.

The CLERK announced the receipt from the Deputy Registrar of the High Court of Australia, under section 202 of the Commonwealth Electoral Act, of a copy of the following order of the Court of Disputed Returns:—

In the High Court of Australia.

Court of Disputed Returns;

In the matter of the Election of a Member of the House of Representatives for the Electoral Division of Melbourne, in the State of Victoria.

Before His Honour the Chief Justice,

Thursday, the tenth day of March, 1904.

This Petition coming on for trial the fourth day of March, 1904, and this day upon reading the Petition of William Maloney, filed the fifth day of February, 1904, and the appearance of Sir Malcolm Donald McEacharn, who was returned as a Member of the House of Representatives at the above-mentioned election, and upon hearing the evidence of William Augustin Newman, taken upon his oral examination, and upon reading the several exhibits put in evidence, and upon hearing what was alleged by Mr. Gaunson, of Counsel for the said William Maloney, and Mr. Mitchell, of Counsel for the said Sir Malcolm Donald McEacharn, this Court doth declare that the said Sir Malcolm Donald McEacharn was not duly elected at the said election, and this Court doth further declare that the said election was absolutely void, and this Court doth not think fit to make any Order as to the costs of the said Petition, except that the sum of Fifty pounds deposited with the Principal Registrar by the said William Maloney at the time of filing his said Petition be returned to him or to his solicitor, Mr. Andrew McGregor Lonie.

By the Court.

(L.S.)

J. W. O'HALLORAN,
Deputy Registrar.

ISSUE OF WRIT.

Mr. SPEAKER.—The High Court having declared the election held on 16th December last for the electoral division of Melbourne, in the State of Victoria, to be

absolutely void, I shall this day issue a writ for a new election for the said division. The dates appointed in the writ will be approximately as follows:—Date of nomination, Wednesday, 23rd March; date of polling, Wednesday, 30th, or Thursday, 31st March; return to writ, on or before 19th April, 1904.

DEATH OF SIR EDWARD BRADDON.

Mr. SPEAKER.—In pursuance of the order of the House, I forwarded to Lady Braddon the resolutions passed on the first day of the session, and her ladyship has sent me the following reply:—

“Treglith,” Leith, Thursday, 10.3.04.

Lady Braddon, on behalf of her family and herself, desires to convey through the Honorable the Speaker of the House of Representatives, her deep appreciation of the honour paid to the memory of her late husband, Sir Edward Braddon, in the resolution of the House at its first sitting, and heartfelt thanks to those who so kindly moved and seconded and so unanimously agreed to the same.

S.S. ARAMAC.

Mr. DEAKIN.—The following telegram has been sent to me:—

Following just received from Brisbane. The *Aramac* has been safely towed into Hervey Bay, near Maryborough, with the captain and nine men aboard.

PETITION.

Mr. KNOX.—I desire to present a petition from the president and vice-president and executive committee of the Central Council of Employers of Australia, praying the House not to pass the proposed Conciliation and Arbitration Bill. I move—

That the petition be received and read.

Mr. WATSON.—I have no objection to the reading of this particular petition; but I should like to know whether we are to continue the practice of last session of allowing all petitions to be read?

Mr. DEAKIN.—The practice last Parliament was to allow the first of a series of petitions to be read, but not to read others of the same tenor.

Mr. WATSON.—In some of the Parliaments of the States, the practice is, not to read petitions, but to have them printed and circulated. The reading of a petition takes up the time of the House unduly, and as, after all, any honorable member who desires to make himself really cognizant of its contents must afterwards peruse it in print, no really useful purpose is served. I think that if it were understood that no

petition should be read, our action in objecting to the reading of this petition could not be considered invidious.

Mr. KNOX.—Are all petitions printed?

Mr. WATSON.—I believe so, whether they are or are not read.

Mr. DEAKIN.—A uniform practice is desirable. I understand that petitions are not printed in every case, but, as every petition is laid upon the table of the House, any honorable member who is particularly interested has an opportunity of having its contents published in *Hansard*. The time of the whole House should not be occupied in listening to the reading of petitions of which honorable members do not propose to take any further account.

Mr. WATSON.—Could not the motion be made that the petition be printed?

Mr. DEAKIN. — I think the Printing Committee decide.

Mr. SPEAKER.—While it was customary last Parliament to move that a petition be received and read, it was also my practice, upon the request of any one honorable member that I should do so, to put first the question “that the petition be received,” which might or might not be carried, and, afterwards, if the petition were received, the question “that the petition be read.” All petitions, whether read or not, are passed on to the Printing Committee, and it is for the members of that body, in the exercise of their discretion, to determine whether a petition, or any part of it, shall be printed.

Mr. WATSON.—I understand that the Printing Committee make a recommendation?

Mr. SPEAKER.—Yes; but so far as I remember, their recommendation has in every case been indorsed by the House. It is not competent for an honorable member to move that a petition be printed unless he declares his intention to take action in the matter, our practice being governed by standing order 91, which says—

No member shall move that a petition be printed unless he intends to take action upon it, and informs the House thereof, and that such action will be taken within fourteen days.

If the honorable member for Bland desires it, I shall put the questions separately.

Mr. KNOX.—I have no objection.

Mr. WATSON.—I wish to read this petition in print, so I shall not object to its being read.

Mr. SPEAKER.—The question of printing is not involved now. I will put the questions separately.

Questions resolved in the affirmative.

Petition received.

The CLERK proceeding to read the petition,

Mr. PAGE.—Mr. Speaker, I rise to a point of order. I desire to ask if the document now being read by the Clerk is a petition or a compendium of arguments against the Bill. It appears to me that the employers, having failed to secure the election of their representatives to Parliament, are now seeking to bring their views before the House by petition.

Mr. SPEAKER.—So far as the petition has been read, there is nothing in it to which exception can be taken.

Petition read.

MELBOURNE ELECTION: POSTAL VOTES.

Mr. McCAY.—I desire to ask the Minister for Home Affairs whether it is correct, as reported in the press, that he is issuing instructions that no new names must be added to the rolls for the Melbourne electorate upon claims, and, if so, whether he is thoroughly satisfied that he is not directly infringing the provisions of section 57 of the Electoral Act? Before taking such action, will he make perfectly sure of his legal position, seeing that it is not desirable that another petition against the validity of the election should be presented? I may explain that this phase of the question came under the consideration of the House when the Electoral Bill was being discussed in Committee, and that I then drew attention to it. On that occasion the Prime Minister simply informed me that the Bill was no doubt ambiguous in that connexion. That was all the satisfaction which I derived from him.

Sir JOHN FORREST.—In reply to the honorable and learned member, I wish to say that I have issued no instructions whatever. Of course, I shall have much pleasure in inquiring into the matter. Speaking off-hand, however—

Mr. McCAY.—Do not speak off-hand.

Sir JOHN FORREST.—The honorable and learned member prefers to ventilate the matter here rather than to speak to me outside.

Mr. FISHER.—It is a public matter, and this is the proper place in which to ventilate it.

Sir JOHN FORREST.—The question would have received just as much attention had the honorable and learned member approached me in my office. I am of

opinion that those persons who are lodging claims to vote will not be able to do so unless their claims have been approved of by the Revision Court. That is the system which operates in all the States, and if it be found that the approval of claims by the Revision Courts is not necessary, I fail to see the use of those tribunals. However, I will closely look into the matter at once.

Mr. DUGALD THOMSON.—I wish to ask the Minister for Home Affairs whether the Chief Electoral Officer has submitted a report in reference to certain alleged illegalities in connexion with the recent elections?

Sir JOHN FORREST.—To what does the honorable member refer?

Mr. DUGALD THOMSON.—I refer principally to the witnessing of postal votes.

Sir JOHN FORREST.—He has done so.

Mr. DUGALD THOMSON.—Will the Minister be good enough to lay his report upon the table of the House?

Sir JOHN FORREST.—I shall have very much pleasure in doing so. It has already been given to the press.

NATURALIZATION ACT.

Mr. WILKINSON.—I wish to ask the Minister representing the Attorney-General whether any fees are chargeable either on application for, or granting of, certificates of naturalization under the Commonwealth Naturalization Act?

Mr. DEAKIN.—No fees are charged; the administration of the Act in question does not rest with the Attorney-General's Department, but with the Department of External Affairs.

WIMMERA ELECTION.

Mr. FULLER.—I desire to ask the Minister for Home Affairs whether he will lay upon the table of the House the opinion of the Attorney-General, which is apparently at variance with the judgment of the High Court, in reference to the recent Wimmera election?

Mr. DEAKIN.—With the consent of my honorable colleague, I desire to say that I have obtained from the Attorney-General's Department a statement in reference to the report of the judgment. It reads as follows:—

The *Argus* quotes the following passage from the Chief Justice's judgment:—

"At the adjourned poll the returning officer was not entitled to do more than put the prescribed questions, and if an elector not enrolled for the

polling place in question made the declaration in Form 'Q,' the returning officer was bound to receive his vote."

That extract, severed from its context, gives a misleading idea as to the effect of the Chief Justice's judgment. The *Argus* omits to quote the passage immediately following (as reported yesterday in its own report of the decision), as follows:—

"If the man was not entitled to vote there, the vote was bad. But the returning officer could not make the inquiries; that would be for the court to inquire into. If there were a sufficient number of such voters not entitled to vote, the election might have been vitiated. In the present case no such difficulty arose, because that class of persons had their votes refused. The returning officer, in refusing them, was technically wrong, but the court could not disturb the election because the returning officer did something technically wrong, but which led to right results."

There were only 95 names on the Ni-Ni roll, and Mr. Hirsch was nearly 200 votes behind, so that the polling of all those voters could not have altered the result of the election.

The Attorney-General gave no opinion on the subject, being out of Victoria when the question arose.

No opinion to the effect stated was given at all.

The returning officer having asked the Electoral Office for advice as to whether he should accept "Q" declarations at the adjourned poll, an opinion was obtained from the Secretary, Attorney-General's Department, who advised that though, in his opinion, only persons enrolled for Ni-Ni would be entitled to vote, yet persons making the declaration "Q" might be allowed to vote, their votes being taken at a different booth and kept separate, in order that, in the event of a petition, the Court of Disputed Returns might be able to deal with the matter.

It will thus be seen that, if the course advised by the secretary to the Attorney-General's Department had been followed, there would have been no question in either case. All the votes would have been taken, and the doubtful ones would have been set aside, so that the Court of Disputed Returns could have settled the matter without delay. That that course was not pursued was due not to any action on the part of the Department, but to the choice made by the returning officer himself, in the undoubted exercise of his own discretion.

PAPERS.

MINISTERS laid upon the table the following papers:—

Transfers of amounts approved by the Governor-General in Council, financial year 1903-4, under the Audit Act.

Regulations under the Electoral Act, dated 19th October, and 11th, 21st, and 26th November, 1903.

Chief Electoral Officer's reply to certain remarks of the Chief Justice of the High Court in the case of *Maloney v. McEacharn*.

AUSTRALIAN RIFLEMEN AT BISLEY.

Mr. JOHNSON asked the Prime Minister, *upon notice*—

Whether the Government is willing to provide the funds necessary to cover the bare expenses (estimated at about £2,000) of sending a representative team of Australian riflemen to compete this year at Bisley for the Kolapore Cup, which has been held by Australia for the past two years, and to take part also in the Great International Match to be held in America for the Palm Trophy.

Mr. DEAKIN.—The answer to the honorable member's question is as follows:—

The Government do not intend to ask Parliament to provide funds for this purpose.

PATENT OFFICE APPOINTMENTS.

Mr. KENNEDY asked the Minister for Home Affairs, *upon notice*—

Whether, in making appointments to the vacancies in the Federal Patent Office, as published in the *Commonwealth Gazette* of 20th February, 1904, officers in the State Public Service will be on an equality with any other applicants for such positions; if not, in what order will applicants be chosen, as from the Federal Public Service, the State Civil Services, and applicants outside of such services.

Sir JOHN FORREST.—In reply to the honorable member, I beg to state that—

For the vacancies in the Professional Division officers will, if qualified for the particular work of this office, be selected in the order of their merit as under—

- (a) Officers in the Commonwealth Service;
- (b) Officers in the State Service;
- (c) Persons from outside the Service.

For the Clerical and General Division vacancies the same procedure will be followed, but persons outside the Commonwealth or State Service are not eligible for appointment unless they have qualified by passing the requisite examination provided for under the Commonwealth Public Service Act.

GOVERNOR-GENERAL'S SPEECH: ADDRESS IN REPLY.

Debate resumed from 11th March (*vide* page 488), on motion by Mr. MAUGER—

That the Address be agreed to by the House.

Mr. SYDNEY SMITH (Macquarie).—I am sure that honorable members were delighted to listen on Friday to the speech delivered by the right honorable member for Adelaide. Newspaper reports had led us to believe that he was in such a bad state of health that he would be unable to go through the ordeal of making even a short speech on the Address in Reply, but we were pleased to find that he was able, not

only to undertake that task, but to succeed in occupying the attention of honorable members during an address extending over a period of three and a half hours. I join issue with much that the right honorable member said, believing, as I do, that many of his arguments were based upon false principles; but we are all seeking, according to our lights, to do our best for the advancement of the Commonwealth, and we should not allow any little differences of opinion to interfere with that friendly feeling which I am satisfied exists amongst honorable members. During the recent elections the right honorable member for Adelaide, as well as the Prime Minister, joined issue with the free-traders of Australia, as to the progress made by New South Wales under the free-trade policy. On Friday last the right honorable member quoted statistics previously put forward by Mr. B. R. Wise, Acting Premier for New South Wales, relative to the increase which had taken place in the exports of that State, those exports being for the most part to other parts of the Commonwealth. He might reasonably have gone a little further, and have compared the progress made by New South Wales under a policy of free-trade with that made by Victoria under a policy of protection. In opening the election campaign at Ballarat the Prime Minister, in order to please many of his supporters, referred to what he declared to be the decrease of population which had taken place in New South Wales, and asserted that under the free-trade policy of the leader of the Opposition, New South Wales had lost 1,882 persons within a period of some four or five years. Had he been fair to the mother State he would have looked up the statistics, which show that, as a matter of fact, 2,400 Chinese left New South Wales during the period referred to; and that, apart from those departures, there was actually an increase of population.

Mr. FISHER.—Where did the Chinese go?

Mr. SYDNEY SMITH.—They left New South Wales.

Mr. McDONALD.—A large number of them went to Queensland.

Mr. SYDNEY SMITH.—As a matter of fact a great many of them left Australia. On the occasion in question the Prime Minister also made reference to the increase of population which had taken place in certain other States, and was then asked

by an elector "What about Victoria." I propose to reply to that question, and to show how Victoria fared under her protectionist policy. Apart from the departure of Chinese from New South Wales during the four years in which the leader of the Opposition controlled the affairs of that State, there was an actual increase in population, while Victoria lost not 1,882 persons, but 82,233 during the same time. The Prime Minister did not inform the electors of Ballarat of that fact. From 1894 to 1901 New South Wales lost 3,412 persons—mostly Chinese—whilst the loss of population in Victoria amounted to 105,137. From 1891 to 1902—both years inclusive—Victoria's population decreased by no less than 130,063, whilst New South Wales during the same period gained 16,244. The leakage of population, so far as Victoria is concerned, is still going on. The actual loss suffered by Victoria in 1902 was 13,716, whereas New South Wales gained 6,902. Victoria parted with the policy of free-trade in 1866, and entered upon her new career with a population of 636,982 persons against a population of 428,813 in New South Wales. It will thus be seen that Victoria had an excellent start of the mother State—a lead of over 208,000. But after thirty-five years' experience of protection what position does she occupy in contrast with New South Wales? In 1900 the population of Victoria had increased to 1,197,000, whereas the population of New South Wales had increased for the same period to 1,364,000. An increase of 167,000 in favour of the latter is sufficient, I think, to show the Prime Minister that he was altogether wrong at Ballarat when he endeavoured to persuade his constituents that we in New South Wales had been going back under our policy of free-trade. We had, practically, always a policy of free-trade in our State, except for two or three brief periods until the Commonwealth policy came into force. Let me apply another test. It has been stated by honorable members opposite all through Victoria that New South Wales had been living on her land revenue. Now, while Victoria had alienated 42 per cent. of her lands, New South Wales had alienated only 24 per cent.

Mr. CARPENTER.—Consider the respective areas of the two States.

Mr. SYDNEY SMITH.—Proportionately, we have additional expense on account of the larger area. It would pay us

better to be without some immense tracts, because the cost of administration far exceeds the value of any advantage derived from their possession. Victoria also had a very good start with her gold-mines. Altogether she obtained from her mines £128,000,000 more than New South Wales obtained for all minerals—a very good start, I think—and she had that amount to play with under her policy of protection. Again, as regards loan expenditure, I know that in Victoria the press has time after time pointed out that we have been living on loan money; that a large amount of employment has been given to the workers by reason of the large expenditure incurred out of loan account. What are the facts? The expenditure on water supply, water conservation works, and under municipal loans in Victoria is separated from other expenditure in the books, and honorable members have omitted, when quoting loan expenditure for Victoria to mention the different kinds of loan expenditure. They omitted to say that there was a loan expenditure for railways, a loan expenditure for water works and water conservation works generally; they separated all these items and only showed expenditure on railways in contrast with the expenditure in New South Wales. In the latter State, however, all the expenditures are lumped together. Whether the money is borrowed for municipal purposes, for water supply works, or for railways or tramways, it is all lumped together. How do the expenditures of the two States come out when they are placed on the same basis? Up to 1900—practically the last year of free-trade—New South Wales had expended £51 4s. per head of the population, whereas in the same period Victoria had expended £54 2s., showing that as far as loan expenditure is concerned Victoria has also had an advantage over New South Wales. Again, let me take the deposits in the savings banks. In 1891 the deposits in Victoria exceeded those in New South Wales by £372,000, whereas in 1902 New South Wales had £2,080,000 more than had Victoria. In 1891 deposits in banks, including Building Societies, amounted to £43,000,000, in New South Wales, and £50,000,000 in Victoria, or £7,000,000 less in New South Wales than Victoria; whilst in 1902-3 New South Wales deposits exceeded those in Victorian banks, &c., by £5,500,000. In 1861 Victoria commenced with an excess of trade of £14,000,000 over New South Wales,

whereas in 1902 the latter has an excess of trade of £13,000,000 over the former. The export of domestic produce is, I think, a good test to apply. In 1861 the exports of domestic produce from Victoria were £5,580,000 more than from New South Wales, but in 1901 the export of domestic produce from New South Wales was £5,700,000 more than from Victoria. Is that any evidence of the great advantage conferred by protection in Victoria? The Prime Minister endeavoured to show the people of Ballarat that they had prospered under protection, and that the people of New South Wales had gone back. I maintain that the figures I have quoted disclose a very different state of affairs. My honorable friends opposite have time after time pointed out the great advantages of protection to the factories. From 1889 to 1899 the male hands in Victorian factories had decreased by 5,064, while the female hands had increased by no less than 7,702, the total increase in the period being 2,638. In free-trade New South Wales, open to the competition of the world, during the same period the male employés had increased by 6,338, and the female employés by 4,316; or an increase of 10,654, the male increase being the greater. It is well known that, owing to the low wages paid here to women, the men were driven out of the factories and women put on in their place.

Mr. MAUGER.—Which factories were they?

Mr. SYDNEY SMITH.—The factories generally. I am taking the figures for all the factories of the State.

Mr. MAUGER.—From which factories?

Mr. SYDNEY SMITH.—I can give a list of the factories presently, if time permits. I would ask my honorable friend to consider the fact that, from 1890 to 1900—the last years during which the free-trade policy was in force in New South Wales, the output of the factories had increased by £7,000,000, whereas the output of the factories in Victoria in the same period had decreased by £5,000,000.

Mr. MAUGER.—Surely my honorable friend knows that his own statistician does not support that statement.

Mr. SYDNEY SMITH.—All these statements come from statisticians; at all events, they are quoted by *Coghlan* in his work, and have not been denied authoritatively.

Mr. MAUGER.—It has been pointed out that they were not reliable.

Mr. SYDNEY SMITH.—My honorable friend is very good at quoting figures, but when the same authority is in our favour, he questions their accuracy. He will surely not question the figures as to the number of employés in the factories. In 1890 47,958 persons were employed in the factories of New South Wales, and in 1900—after five years' experience of an absolutely free-trade policy—the number had increased to 66,135. The total increase of 18,177 employés included 11,733 males and 6,444 females. I wish to direct the attention of the House to the fact that the greater increase is in the number of male hands. The increase in the number of male hands was nearly twice as great as the increase in the number of female hands. In Victoria what do we find? In 1890 the hands numbered 56,359, and in 1900 66,529, showing an increase of 10,160 in this State, as against an increase of 18,177 in New South Wales. But how was that increase made up? In that period of ten years there was an actual decrease of 537 in the number of male hands, as against an increase of 11,733 in the number of male hands in New South Wales. The whole of the increase had been made up in the increased number of female hands. I think that honorable members have a right to ask themselves this question—How is it that the men of Victoria have been driven out of the factories and women put in their place?

Mr. MAUGER.—Which factories?

Mr. SYDNEY SMITH.—I am taking the figures for all the factories. I am sure that my honorable friend will admit that if there was a decrease of 5,000 male hands in twelve years the men must have been driven out somewhere.

Mr. MAUGER.—I do not admit anything of the kind.

Mr. SYDNEY SMITH.—Where have they gone to? The policy of protection has had the effect of driving the men out of the factories. The report respecting the work of the Victorian Wages Boards bears out that statement. It shows that in the clothing factories 45s. a week was the wage fixed for tailors, whilst the wage for tailoresses was only from 20s. to 30s. a week.

Mr. MAUGER.—Which factories?

Mr. SYDNEY SMITH.—The clothing factories for one. Women to whom low wages could be paid rapidly supplanted the

male employés. The employers considered that 45s. a week was too high a wage to pay to them, and women were put in their places, with the result, as I have said, that during the last ten years there has been a decrease of over 500 male employés of Victorian factories, and an increase of over 10,000 females. Those figures show that there has been no progress in Victoria, so far as concerns male hands. As regards population, the figures go to show that during the last twelve years there has been an exodus of no fewer than 130,000 people from Victoria. It must be remembered that these were not old men, but comprised the cream of the Victorian population, who were compelled to seek employment elsewhere because they could not find profitable employment in their own State. Some have gone to New South Wales, and I am happy to say that they have made excellent colonists, and have done well there. Others have gone to Western Australia. But these facts show pretty clearly that Victoria has not been the paradise that my honorable friend opposite wishes us to believe that it was. It cannot have been so, considering that people were driven out of the State to the extent of 130,000, and that women were forced into factories to work at about half the rates that had to be paid to male hands. What occurred in New South Wales during one year under protection? The only time when, according to *Coghlan*, we did not make any substantial progress in our factories, was during that particular period. In 1902, the number of male hands decreased by 230, but the number of females increased by 269. So that the whole of the increase in New South Wales in one year under protection has been in the same direction as was the case in Victoria. That is to say, there has been an increase in the labour of women and children. That result we, on the opposition side of the House, have always pointed out as having occurred in Victoria. But free-traders believe that men and not women should be the breadwinners. That is a sound and solid policy. Women have enough to do as a general rule in looking after their homes, and they should not be forced into the factories, as has been the case in many protectionist countries for many years past. I mention these facts because the Prime Minister, in dealing with the fiscal question at Ballarat, thought it a very strong point to put before the electors of Australia that New South Wales had

lost 1,882 of her population under a free-trade policy. But to be fair to the people of Australia, he ought to have told the electors that in the same period Victoria had lost 88,000 people, and that in point of fact we in New South Wales had not lost any, unless we take into consideration the number of Chinese who left the State. My honorable friends opposite are advocates of getting rid of the Chinese, and yet the Prime Minister complains that because New South Wales sent away about 2,400 of them, there has been a decrease in her population. If the Chinese had not left New South Wales would have had an increase in her population. For the ten years, our increase was 16,000, as against a decrease of 130,000 in Victoria. Is that an evidence of the good effects of a policy of protection in Victoria? I think it is one of the best evidences to the contrary. We do not want any other evidence of the lack of progress in that State under protection.

Mr. MAUGER.—From which factories in New South Wales were men driven, and their places taken by women?

Mr. SYDNEY SMITH.—I was referring to the clothing and other factories in Victoria. I have not got the whole of the details with me, but all the figures which I have stated are correct, and are taken from *Coghlan*. One question which has been brought under the notice of the House has given rise to a good deal of ill-feeling amongst honorable members on both sides. That is the question of the redistribution of seats. Honorable members are, of course, aware of the history of the question. They know that the leader of the Opposition felt that, in the interests of the electors of Australia, it was his duty to appeal to his constituents in order to emphasize his strong objection to the gerrymandering tactics adopted by the Government. The figures which he submitted on that occasion to show the great difference between some of the country electorates and others, and the difference between some of the city electorates and some of the country electorates, were questioned. We were told that when the drought was over, the electors who had left the country districts would go back. I have taken the trouble to go through the whole of the electoral lists, in order really to ascertain how they compare with the statements submitted by the leader of the Opposition last session. We must recollect that the rolls were prepared in July, 1903, and that they were revised in October of the

same year. Therefore, a large number of electors, male and female, have qualified since the preparation of the rolls. But if honorable members will look at the returns, they will find that there has been a proportionate increase both in the city and the country electorates, and when the actual figures are compared with those quoted by the leader of the Opposition, and by other honorable members on this side of the House, it is wonderful how closely they approximate. In the electorates of Hunter, New England, Illawarra, and Cowper, there are 106,000 electors on the new rolls, who returned four members to this House. Four other country electorates, with 71,662 electors, also had the right to return four members. There was a difference of nearly 35,000 voters. Are those facts in conformity with the principles of one man one vote and one vote one value, which the head of the Government claims that the present Ministry brought into force, and which other honorable members opposite have advocated? The estimate of the leader of the Opposition, made in this House, and before the elections, was 35,934, showing a difference of only about 900 between his estimate and the actual facts. In the Hunter and Cowper electorates there are 52,531 electors. In the Darling and Riverina electorates there are 33,399. That shows a difference of 19,132. The estimate of the leader of the Opposition was a difference of 22,131. Eight electorates with 282,949 electors return eight members, whilst 156,064 electors return eight members for eight other electorates. The difference here amounts to 126,885, and the estimate of difference submitted by the right honorable member for East Sydney was 111,000. In point of fact the actual position is worse than that estimated by the right honorable member to the extent of over 15,000 electors. Yet the Minister for Trade and Customs challenged the correctness of the figures submitted by the right honorable member for East Sydney, and said that that right honorable gentleman was misleading the electors by the statement he made. Again, if we take three country electorates—Hunter, New England, and Cowper—we find that they have 79,298 electors, whilst three other country electorates—Darling, Riverina, and Richmond—have only 52,387 electors. There is here a difference of 26,911, and this is not a comparison of city electorates with country electorates, but of country electorates with other country electorates.

The estimate of difference given by the right honorable member for East Sydney in this instance was 27,774. Considering the way in which the Government acted in connexion with the elections and the redistribution of seats, it cannot be considered strange that the people should resent such action. The electors of Hunter, New England, and Cower when appealed to said—"No, we will not have any more of a Government of that kind." They rejected the three Government supporters because they resented the gerrymandering tactics of the Government, and returned three members to the House to assist the right honorable member for East Sydney against the Government.

Mr. CHAPMAN.—The honorable member pays a very poor compliment to the honorable members who have been returned for those electorates when he says that is the reason they have been sent here.

Mr. SYDNEY SMITH.—They have been sent here to assist us in fighting our battles, because the people of those electorates realized that we are the true saviours of the country. They realised that we can be relied upon. The gentlemen who have been rejected are men with whom we are on the best of terms, and are men of high character; but the people of the electorates when appealed to forgot all their good qualities. They said—"These men are reputable, kind-hearted citizens, but if returned they will vote for a Government and support a policy in which we do not believe. We shall, therefore, send three other representatives to support the right honorable member for East Sydney in his condemnation of the tactics of the Government." Strangely enough, before the elections took place the right honorable member for East Sydney mentioned the case of these three electorates as showing how unfair the redistribution proposed by the Government really was, giving as it did 79,298 electors in three electorates no greater voice than 52,387 in three other country electorates. The answer of the electors themselves has been to return three representatives for the electorates I have mentioned to support honorable members on this side instead of the Government.

Mr. JOHNSON.—With a little more time, we should have had a few more.

Mr. SYDNEY SMITH.—I quite believe we should. We will have a few more next time. I find that Lang, South Sydney, North Sydney, Parkes, Dalley, Wentworth, and East Sydney have 247,294 electors on the

new rolls, whilst in seven other electorates, there are only 133,239 electors, a difference of over 114,000. Yet honorable members opposite claim that this is one man one vote and one vote one value. The right honorable member for East Sydney, in the statement he presented to the House, stated that the difference in this instance amounted to 100,000. The difference has been shown to be 14,000 more, showing that the right honorable gentleman in his figures really underestimated the difference in numbers between the different electorates. The present Minister for Trade and Customs at the time boasted that he was the great advocate of woman's suffrage. He appealed to the women of Australia to return himself and the Government of which he is a member on the ground that they had been the first to give women the right to exercise the franchise. The honorable gentleman said he felt sure that the women of Australia would remember that at the election. The women of Australia did remember it. They realized that while the honorable gentleman spoke so strongly in favour of giving the franchise to women he was hatching a little plot of his own in order to prevent the women's franchise being exercised in a fair way. The right honorable member for East Sydney pointed out that between two sets of three electorates there was a difference of 38,000 female electors. He rightly contended that it was very unfair to the women to give them the franchise, and then to prevent them from exercising it in a fair way, and in a way in which their influence could be really felt. The present Minister for Trade and Customs grouped a large proportion of the women together, with the result that whilst in three electorates there were 61,626 women, in three other electorates there were only 17,873, a difference of 43,755. In other words it took the vote of nearly four women in the first three electorates to equal the vote of one woman in the other three electorates. After all the statements made by the Minister for Trade and Customs and other members of the Government, as to what they were doing in giving women this right, I ask is that a fair way in which to act? I have pointed out that in three electorates 43,755 women were disfranchised, and in order to show how wrong the action of the Government was, I now point out that the aggregate of the majorities by which eighteen honorable members have been

returned to this House amounts to only 12,000 votes, or about a fourth of the number of women who have been disfranchised in three electorates. This will also show the handicap under which honorable members on this side went before the electors. It is the way in which the Government acted in connexion with this matter that showed the electors we were right, and were fighting for their interests. We advocated one man one vote, and one vote one value, and we acted in accordance with those principles; but the Government, whilst professing to be in favour of them did their utmost, by delaying the preparation of the rolls and the making of the necessary arrangements for the elections until it was too late to secure a proper redistribution of seats, to use all the machinery of government to defeat them. I warned the Minister months before that he should have a special roll compiled. I told him that if an ordinary citizen attempted, under the law we had passed, to interfere with the franchise of any one elector in the Commonwealth, he would be liable to imprisonment for twelve months. Yet the honorable gentleman and his Government have had the audacity to interfere with the franchise of hundreds and thousands of electors, and they have escaped scot free. Perhaps I should not say that they have escaped scot free, because, whilst we were unable to deal with them in this House, the electors, when appealed to, told them that their administration was such that they could not give them support, the result being that, outside of the State of Victoria, the present Federal Government have only five supporters in the House from the whole of Australia. At the present time, the Government have fewer supporters than has either of the other two parties in the House. The Opposition have the largest number of supporters both in this House and in the Senate, while the Government have the smallest number when both Houses are counted. I dare say honorable members are acquainted with the exposure made by the honorable member for South Sydney as to an interview which the Minister for Trade and Customs and the Minister for Defence had with a number of manufacturers at the Commonwealth offices in Sydney. The honorable member for South Sydney, it appears, is a partner with a number of other gentlemen in a business carried on in various States; and some of those partners—though at the time, I dare say, it was not known they were associated with

the honorable member—were, by telephone, asked to meet the present Minister for Trade and Customs at the Commonwealth offices. At such a place, the manufacturers did not think that there would be an electioneering meeting, but rather that they were asked to see the Minister in regard to some question of Customs administration. When the manufacturers arrived at the Commonwealth offices, however, there, was, according to the version of the honorable member for South Sydney—a version verified by one gentleman present at the interview—a demand made upon them for money. The Minister for Trade and Customs occupied the chair at the interview, and according to the honorable member for South Sydney, this is what took place—

Sir WILLIAM LYNE.—You have got to give us something for this election. . . . We are going to be beaten. We must have money. I want £1,000 from those in this room before you leave, to fight this election. . . . these duties have been imposed for their (the manufacturers') benefit—

That is the point. I wonder where the people "come in," seeing that the Minister for Trade and Customs admits that the duties are imposed for the benefit of manufacturers. According to the honorable member for South Sydney, the interview proceeded as follows:—

and I think a *quid pro quo* should be subscribed for those benefits. If we don't get sufficient money we shall be beaten in the fight, and instead of the duties being retained as they are, or made heavier, you will have them reduced by the other side.

It will be seen that the Minister pointed out that there was a danger, not only of the present duties being abolished, but also of their not being made heavier. Nothing was said at the interview about the working men or the poor people of Australia being called upon to pay additional taxation on their boots, clothing, and other necessities of life; it was, as the Minister pointed out, for the benefit of the manufacturers that duties were imposed. The Minister, it will be seen, told the manufacturers that if they did not subscribe £1,000 the elections would be lost, and that even the present duties might not be retained.

Mr. JOSEPH COOK.—Is that the meeting at which the Minister for Defence was present?

Mr. SYDNEY SMITH.—Yes; and here is what he said—

Mr Austin Chapman followed Sir William Lyne. . . . They would not win without

money. . . . Amongst other things they wanted money to lick Edwards in South Sydney. . . . They could beat Edwards for £100.

It seems very amusing, after Parliament, at the instance of the Government, had passed a law limiting election expenses, to hear a Minister asking for subscriptions in order to prevent the election of the present honorable member for South Sydney, the member for Illawarra, or the honorable and learned member for Werriwa. Nothing was said at that meeting about my own electorate, because, I suppose, it was thought that my opponent, who desired to obtain £250,000 of the public money as a bonus, would be able to pay all necessary expenses.

Mr. CHAPMAN.—I suppose the honorable member knows that the statement he has read has been contradicted?

Mr. SYDNEY SMITH.—The Minister for Defence very nicely and very cleverly contradicted the statement. In the first place, the honorable gentleman denied that any such meeting had taken place in Castle-reagh-street, as stated by the honorable member for South Sydney, though the fact remained that the meeting took place at the Commonwealth Offices in Macquarie-street. Unfortunately for themselves, the Minister for Defence was in one part of Australia at the time, and the Minister for Trade and Customs in another, so that it was not possible for them to compare notes.

Mr. JOSEPH COOK.—It was indecent to hold such a meeting in the Commonwealth offices.

Mr. SYDNEY SMITH.—At all events, it was a very questionable proceeding. I know that we of the Opposition held no electioneering meeting, except in rooms, for the hire of which we paid. The account of the meeting, as given by the honorable member for South Sydney proceeds—

Mr. Chapman went on to say that they could win two other seats if they had the money.

I have here the full account of the proceedings, as given by the Sydney newspapers.

Mr. MAUGER.—Read it.

Mr. SYDNEY SMITH.—I have often listened to the honorable member for Melbourne Ports reading columns of extracts relating to wages boards and similar institutions, but I shall not similarly weary honorable members. An appeal has been made for an inquiry into the management of the Electoral Office, and I think that unprejudiced members in all parts of the House must admit, in view of what transpired

during the recent elections, that there is need for most searching investigation. The Chief Justice of the High Court has referred to the administration of the Electoral Office in most severe terms, and has practically blamed the head of the Department for all the trouble and expense associated with the election for the Melbourne seat. Owing to the want of knowledge of the law, and of the proper mode of administration the head of the Department has caused the two candidates for that seat to undergo all the expense, trouble, and anxiety of a second election.

Mr. CROUCH.—Would the honorable member like an inquiry into the conduct of the Macquarie election?

Mr. SYDNEY SMITH.—I am quite prepared for any inquiry into the election in the Macquarie constituency. I know, of course, that when the "big gun," who hoped to get a bonus to the amount of £250,000, was sent down to contest the seat it was thought that all was secure, seeing that he was able to spend money.

Mr. CROUCH.—What about the bill of £74 at an hotel?

Mr. SYDNEY SMITH.—There was no expenditure of that kind, so far as I was concerned. No doubt the candidate who was opposed to me was a man of good repute.

Mr. MAUGER.—What was his name?

Mr. SYDNEY SMITH.—My opponent had all the advantage of the support of the Government and of a large number of people who, for the time being, believed that the expected bonus would give employment to every man in the electorate. This gentleman also apparently had a well-lined purse, because he informed the electors that the parliamentary allowance of £400 per year was to him a very small consideration. Yet, with all this against me, my majority was about twice as great as at the previous election.

Mr. FULLER.—And the State Government was helping the opponent of the honorable member?

Mr. MAUGER.—I suppose the protectionist propaganda had nothing to do with the matter?

Mr. SYDNEY SMITH.—Not in New South Wales. The protectionist propaganda had some effect in Victoria, no doubt; but the true state of affairs is shown by the fact that the whole of the rest of Australia has sent only five supporters of the Government to this House, while, taking the two Houses together, the

Government have thirty-three supporters, as against forty-four in the last Parliament, I do not think there could be a more disastrous result from the point of view of the Government.

Mr. CHAPMAN.—If the honorable member will move an amendment to the Address in Reply and call for a division, he will see how far his figures are correct.

Mr. SYDNEY SMITH.—The Minister for Defence will have enough to do with figures of that kind by-and-by.

Mr. CROUCH.—Who paid for the forty-four cabs at Portland?

Mr. SYDNEY SMITH.—My honorable and learned friend has stated that the Portland Cement Company was established under protection. I have denied that statement here time and again, and to corroborate my denial I will read what one of the principals of the firm says upon the subject—

In reference to our own plant, I may say that practically the whole of this had arrived in Sydney before the duty was put on.

It was said at one time that unless a duty were imposed upon cement Portland would be ruined; but when I went there three years ago I found that the men employed in the lime quarries were receiving from 6s. 6d. to 7s. a day. That was under free-trade. When I visited them last December they were receiving only 6s. a day, notwithstanding that their industry was protected by a duty of over 30 per cent.—against which I voted; and, furthermore, under the policy of the present Government they have to pay a tax of 2s. 6d. upon every pair of boots they buy, and owing to the nature of their work a pair of boots in many cases lasts only a week.

Mr. JOHNSON.—But is it not argued that the foreigner always pays protective duties?

Mr. SYDNEY SMITH.—That was what they tried to make the people of Portland believe before I went up there. I was informed that because I had voted against the cement duty I should be beaten at Portland by three or four to one; but I received a large majority there, without hiring cabs, or incurring any expenditure at all beyond a few shillings for travelling expenses. I have always found that no amount of money will get a man returned to Parliament. In my electioneering contests I have had to fight some of the wealthiest men in the community; but beyond paying for advertisements and the ordinary travelling

expenses, my expenditure has been practically nothing.

Mr. FRAZER.—Money helps a good deal, though.

Mr. SYDNEY SMITH.—I do not think that it helps as much as some persons imagine. I believe that the electors resent the expenditure of large sums by candidates, because they realize that attempts are being made to bribe them.

Mr. FRAZER.—I do not dispute that.

Mr. SYDNEY SMITH.—I have represented practically the same district, with only one break, for over twenty years.

Mr. CROUCH.—Why was the honorable member thrown out in 1899?

Mr. SYDNEY SMITH.—At that time I was a Minister of the Crown, and held a prominent position in the Ministry; but there are occasions when public men must speak out in the interests of the people, and I felt it my duty, notwithstanding that many of my constituents had taken an active part in the work of forwarding the Federal movement, to oppose the acceptance of the draft Constitution Bill. I was told that if I persisted in that attitude I should lose my seat; but I replied then, as I would now, that I valued my position in Parliament only so long as I could honestly express my convictions there. Without that privilege Parliament would have no charm for me. But although I was defeated on that occasion, they sent for me to represent them in the first Federal Parliament, and I then had the pleasure of securing a reversal of their former verdict. Indeed, one of the principal leaders of the Federal movement in the district, in a letter which he published in the local press, complimented me for having had the foresight to predict trouble arising out of Federal legislation which they at the time did not foresee. The Prime Minister has asked us to submit some specific cases to justify an inquiry into the administration of the Electoral Department. I think that the condemnation of the Chief Electoral Officer expressed by the Chief Justice of the High Court, who is a non-party man, and had an opportunity to hear ample evidence on the subject, is a sufficient reason for demanding an inquiry. The Minister for Trade and Customs charges the leader of the Opposition with harboring a special animus against the Chief Electoral Officer; but neither our leader nor any member sitting upon this side of the chamber has any feeling against that officer as an individual. We think, however, that a man who is not competent for the duties pertaining to his office should not

continue to hold it, and it is our duty to express our views in regard to the competency of any officer. The leader of the Opposition was right in stating that Mr. Lewis was retired from the New South Wales Department of Lands after an inquiry made in 1887. Later, he became Chief Electoral Officer for New South Wales; but when the Public Service Board investigated the state of the Public Service in 1896, they reduced the staff from fifty to thirteen, and recommended his retirement, and that of thirty-seven of his officers. Ever since, the work of the office, except in emergencies, when there has been a rush, has been done by about thirteen men, and with greater efficiency and satisfaction to the State than was given before. The leader of the Opposition was perfectly right in challenging the action of the Government in placing at the head of the Commonwealth Electoral Office a man who had been retired as unfit to control a State Electoral Office. The Prime Minister challenges us to produce individual cases. I could produce many, and I will refer to two or three which occurred in my own district. But for the fact that I obtained a very large majority, the Macquarie election might have been upset, as the Melbourne election has been upset, because between 200 and 300 postal votes were recorded there, most of which, though not cast in my favour, were witnessed by the police. Then, at Cowra, I found that a man and his family, numbering seven or eight in all, who were old residents of the district, had not been enrolled, while at Sofala, a number of miners living outside the town drove to the polling place, and then could not record their votes, because they found that their names had not been enrolled. At Little Hartley, again, I found that a number of electors, who had previously voted in the Macquarie division, had been placed in the Parramatta division. If my attention had not been directed to the matter I should have lost a number of votes there.

Mr. JOSEPH COOK.—I had a batch of 200 electors cut out altogether.

Mr. SYDNEY SMITH.—No doubt this sort of thing occurred in many divisions. If every honorable member were to relate his experience, it would be found that, in addition to the fact that 120,000 people were disfranchised in eight electorates by gerrymandering, and no fewer than 43,000 women in three electorates alone, hundreds of thousands of persons were prevented from voting through their names being left off the rolls. I happen to have the confi-

dence of the miners in the Macquarie division, and throughout New South Wales, and since the election I have ascertained that, at a mining centre which is one of my strongholds, only two votes were cast for me and one for my opponent, while in another place six were cast for me and four for my opponent.

Mr. JOSEPH COOK.—Notwithstanding the fact that the honorable member addressed a meeting at 6 o'clock in the morning.

Mr. SYDNEY SMITH.—Yes. I gave my opponent ten days start, but when I commenced I made the pace. Under the regulations which were issued by the Government that numbers were not to be published except where they amounted to 100—a very wrong regulation, because there should be no secrecy about these matters—I should have known nothing of those occurrences; but I learned through the press that in one place only ten votes were recorded, and I, therefore, made an inquiry into the reason. What did I find? I have here the revised roll for a place named Airlie. There are 378 names upon that roll, but after revision 132 names were erased, and sixteen added, so that the correct number of electors was 262. But owing to the neglect of the Department in not sending the revised roll to the printer the one containing 60 names was the only one sent to the electorate, and there 262 persons were disfranchised altogether.

Mr. JOHNSON.—I had a similar experience.

Mr. SYDNEY SMITH.—I could name other instances in which names were left off the rolls, and the electors were prevented from exercising the franchise, and I feel sure that the experience of every honorable member has created the conviction in his mind that the time is ripe for a searching investigation into the administration of the Electoral Department. All we want is fair play and no favour. We only ask that the people shall have an opportunity to exercise the franchise conferred upon them by the law. The Act does not contemplate the adoption of the old American system of grouping the electors in classes, but in New South Wales the free-traders were grouped together, and were practically disfranchised to the extent of many thousands. Notwithstanding that, however, the free-trade party won four seats and the Government lost five seats altogether, and ought to have lost more. I now desire to refer to a very

serious matter in connexion with our defences. We cannot foresee the results to Australia of the war which is now proceeding between Russia and Japan, and we ought to be prepared for every emergency. At present our forces are not in a fit condition to take the field. When the first Estimates were submitted, the defence vote was reduced by £120,000, because the Government failed to submit a proper scheme for the administration of the forces. When the next Estimates were brought down the Government failed to supply honorable members with such information as would enable them to judge whether the money proposed to be voted would be judiciously expended, and the vote was reduced by £50,000. The Treasurer, in his financial statement, made the extraordinary announcement that although the General Officer Commanding, who had been brought here specially for the purpose of re-organizing our forces, had applied for £125,000 for the purpose of completing the equipment of his forces, he had cut down the vote by £50,000. Honorable members will admit that the equipment of our forces is of the first importance, and yet the amount proposed to be devoted to that purpose was reduced by the Government. If the General Officer Commanding was right his requisition should have been complied with, and if he was wrong the Government should have made it clear that he had asked for too much. If our forces had been called upon, without proper equipment, to defend our shores during the last recess it would have been nothing short of murder, for which we should have been responsible. We know what occurred in South Africa with regard to the Imperial forces, and we have been acquainted with the result of the inquiry made at the instance of Lord Elgin and others. The condition of affairs disclosed was so unsatisfactory that a further Commission was appointed. The Defence Forces in Tasmania are larger in proportion to population than in any other of the States. That State sent a large number of men away to South Africa, and they acquitted themselves with the utmost credit. Prior to the transfer of the Defence Department to the Commonwealth, the members of the Tasmanian forces were so extremely loyal that they were content to accept a lower rate of remuneration than was paid to men performing similar services in other States. Afterwards they appealed to the Federal authorities to place them on the same footing, as regards pay, as other members of

the Defence Force, and I understood the General Officer Commanding considered that their claim was justified. The State Government of Tasmania, however, represented that their finances were in such a condition that they could not afford to meet the extra demand that would be made upon them, and the Federal authorities took it upon themselves to withhold the additional pay to which the men were clearly entitled. The result was that 500 men, who had given full proof of their loyalty, became, in a sense, disloyal.

Mr. McWILLIAMS.—They only wanted to be treated upon the same footing as the men of other States

Mr. SYDNEY SMITH.—They were entitled to receive the same pay as members of the Defence Forces in other States. I always understood that one of the main objects sought to be achieved when the Defence Forces were placed under one control was to secure uniformity both as regards pay and administration. If one State Government is to be permitted to interfere in the matter of the pay given to the members of the Defence Forces, there will be nothing to prevent other Governments dictating to the Federal authorities in connexion with administration which they think may adversely affect their finances. The members of the Tasmanian Defence Forces have been treated most unfairly, and we shall probably lose the services of a number of men of the very class which we should encourage. The manner in which matters connected with our defences have been administered shows the necessity of appointing a Commission of inquiry, which will be able to tell us exactly how we stand, what is being done, and what is necessary to place our forces upon an effective footing. We have, perhaps, the very best material in the world, men who are ready to shed their last drop of blood in the defence of the Commonwealth, and it is absolutely necessary that our legislation and administration should be in keeping. I therefore appeal to the Government to arrange for a searching inquiry into our defence administration, with a view to the adoption of a scheme satisfactory to all concerned. Some honorable members seem to think that no such Commission is needed, but I would remind them that in England, where they have had much more practical experience, and have thoroughly practical men at the head of affairs, it has been considered necessary in the interests of the Empire to appoint a Commission to

formulate a scheme for the effective organization of the military forces.

Mr. SKENE.—Whom have we here to appoint to such a Commission?

Mr. SYDNEY SMITH.—I cannot say off-hand, but I have no doubt that many gentlemen would be competent to perform the service we require of them. If, however, suitable men cannot be obtained locally they can be secured elsewhere. The honorable member must admit that we have splendid material for defence purposes, and, as one of his sons took part in the South African campaign, I am sure that he will be one of the first to insist that our forces shall be properly equipped. According to the statement of the General Officer Commanding, the present condition of affairs with regard to equipment is very unsatisfactory, and a much larger sum than that voted will have to be expended. I believe that the Minister of Defence is endeavouring to do his best, but I would urge upon him the necessity, in view of what is being done in England, and of the requisitions which have been made by the General Officer Commanding, to institute a searching inquiry into the administration, so that we may make sure that the money voted by us for defence purposes is being applied in the best possible way.

Mr. PAGE.—That is what the Minister is now doing.

Mr. SYDNEY SMITH.—I have not seen any result.

Mr. PAGE.—Give the Minister a chance.

Mr. SYDNEY SMITH.—I only hope that the Minister will appoint a Commission, such as I have suggested.

Mr. PAGE.—The Minister is a Commissioner in himself.

Mr. SYDNEY SMITH.—I do not want that kind of a Commission, but one that will be of some service. The right honorable and learned member for Adelaide referred to the question of the Federal Capital site, and spoke very strongly of the apathy displayed by the Government. With all due respect to my right honorable friend, I desire to say that, although I am very glad that he adopted this attitude, I am sorry that he did not take some energetic steps to bring about a settlement of the question when he was a member of the Government. We had no indication of any desire on the part of himself or his colleagues to expedite the matter. It was unnecessarily delayed for many months, and after members

of both Houses had been afforded an opportunity of inspecting the sites suggested, a proposal was submitted at the fag end of the Parliament. No time was then available for the proper consideration of the matter, and the result was that no decision was arrived at.

Mr. FULLER.—The Minister for Trade and Customs says that the Opposition delayed the settlement of the matter.

Mr. SYDNEY SMITH.—I do not think that can fairly be said, because we did all we could to urge the importance of a prompt settlement, and some honorable members thought we were too persistent in our efforts. When the voting took place for the selection of the site Lyndhurst occupied the premier position in the second, third, fourth, and fifth ballots, and the final contest lay between Tumut and Lyndhurst. Strangely enough, the Prime Minister and others, who were in favour of the Bombala site, on finding that they were hopelessly in a minority, transferred their support to Tumut, and, as a result, Lyndhurst was defeated by eleven votes. When the question was remitted to the Senate a dastardly attempt was made to exclude Lyndhurst from all consideration, but I am glad that it was defeated by the good sense and fairness of the members of that Chamber. There is no use disguising the fact that it was arranged by some members of the Government that a motion should be proposed which would have the effect of excluding Lyndhurst from the selection. We ask no favour for Lyndhurst, but I think that fair consideration should be given to all the sites. Even the Prime Minister, in response to a question of mine, said that a site which possessed such marked advantages as Lyndhurst could not be overlooked; but what do we find?

Mr. CHAPMAN.—The House overlooked it.

Mr. SYDNEY SMITH.—That may be, but the Prime Minister said that a site which possessed such marked advantages as Lyndhurst must receive consideration.

Mr. CHAPMAN.—Were those the words used by the Prime Minister?

Mr. SYDNEY SMITH.—They represent the substance of his statement, and I claim that the implied promise then given shall be fulfilled.

Sir JOHN FORREST.—I looked for the statement referred to by the honorable member, but could not find it.

Mr. SYDNEY SMITH.—I directed the attention of the Minister of Home Affairs

to the promise, and he promised to give it consideration.

Sir JOHN FORREST.—I could not find any reference to it.

Mr. SYDNEY SMITH.—I shall furnish the Minister with the exact words before I sit down. I have no right to question the opinions which are entertained by honorable members, but I am entitled to ask that fair consideration shall be extended to all the sites. I hold that honorable members should be granted an opportunity of studying their respective merits. The Government have no title to select two sites upon the borders of Victoria, and to declare that they alone shall receive consideration.

Mr. STORRER.—A majority of the House selected them.

Mr. SYDNEY SMITH.—No. This House decided against Bombala. It refused to allow it to be included in the final ballot. In that ballot only two sites were submitted, namely, Tumut and Lyndhurst.

Mr. STORRER.—Did not this House decide against Lyndhurst?

Mr. SYDNEY SMITH.—Yes; but it also decided against Bombala. Bombala is put forward for consideration simply because it is represented by a member of the Ministry.

Sir JOHN FORREST.—The Senate recommended Bombala.

Mr. SYDNEY SMITH.—I admit that that is so.

Sir JOHN FORREST.—That is the reason why its claims are now being considered.

Mr. SYDNEY SMITH.—It is the duty of this House to extend consideration to all the sites, and especially to one whose claims were considered superior to those of Bombala.

Mr. CHAPMAN.—Nonsense.

Mr. SYDNEY SMITH.—I appeal to honorable members to say whether in the ballot before the final ballot Lyndhurst did not poll the largest number of votes.

Mr. CHAPMAN.—Which site obtained the highest number of No. 1 votes?

Mr. SYDNEY SMITH.—Of the three sites which were considered eligible, Lyndhurst secured the highest number of votes.

Mr. STORRER.—We have read all about that, and it is of no use imputing motives to individuals now.

Mr. SYDNEY SMITH.—I know that the honorable member has expressed his opinion as to what should be done, and, therefore, I do not expect any consideration from him.

Mr. STORRER.—I have not expressed my opinion.

Mr. SYDNEY SMITH.—I think so; I read the newspapers very closely. I appeal to the Government to carry out the implied promise of the Prime Minister, and to permit of consideration being extended to the Lyndhurst site.

Mr. CHAPMAN.—A moment ago the honorable member said that a direct, and not an implied, promise was given by the Prime Minister.

Mr. SYDNEY SMITH.—The honorable gentleman's promise was very clear.

Mr. CHAPMAN.—Then let us have it.

Mr. SYDNEY SMITH.—In *Hansard*, volume XVII., page 6433, I find the following:—

Mr. SYDNEY SMITH.—Does not the Prime Minister think it fair to give consideration to the Lyndhurst site?

Mr. DEAKIN.—None can refuse—

Yet my honorable friend wishes to refuse consideration—

Mr. PAGE.—Does the honorable member desire to re-open the whole question?

Mr. SYDNEY SMITH.—It was re-opened by the right honorable member for Adelaide, and I claim that I am perfectly justified in exercising my right to discuss it. I do not think that the honorable member will complain of that.

Mr. PAGE.—I do not complain, but I fail to see any necessity for it.

Mr. SYDNEY SMITH.—That may be so—that is where we differ. Upon the occasion to which I have referred, the Prime Minister stated—

None can refuse to give consideration to a site which has such marked advantages as the Lyndhurst site possesses.

That statement is a very clear one.

Mr. CHAPMAN.—It is not very clear.

Mr. SYDNEY SMITH.—The Minister for Trade and Customs informed me that he was in favour of consideration being extended to the Lyndhurst site. In my opinion, the Government have not dealt fairly with the western district.

Mr. McWILLIAMS.—What was the voting in the final division?

Mr. SYDNEY SMITH.—Lyndhurst was defeated by eleven votes, but Lyndhurst had defeated Bombala by several votes.

Mr. McWILLIAMS.—Was the Bombala site rejected before that of Lyndhurst?

Mr. SYDNEY SMITH.—Yes. There was a ballot upon the respective claims of

Bombala, Lyndhurst, and Tumut. Bombala was defeated, and the final choice was between Tumut and Lyndhurst.

Mr. CHAPMAN.—The honorable member declared just now that Lyndhurst was defeated owing to a combination against it.

Mr. SYDNEY SMITH.—Realizing that a majority were in favour of Lyndhurst, the Prime Minister turned round and voted for Tumut. The records of Parliament will show that.

Mr. CHAPMAN.—Lyndhurst has been defeated once; surely that is enough?

Mr. SYDNEY SMITH.—My honorable friend has been beaten several times. He had flags flying at Bombala upon one occasion—flags which were obtained from Tumut.

Sir WILLIAM LYNE.—Will the honorable member be good enough to read what the Prime Minister said in answer to the honorable member for Canobolas?

Mr. SYDNEY SMITH.—He declared that he could not make a definite promise on behalf of the Cabinet, but that the matter would be considered by the Cabinet. Nevertheless, he led me to believe that, so far as he was concerned, a site which possessed the advantages of Lyndhurst could not be overlooked.

Mr. CHAPMAN.—It has had its "show," and has been defeated.

Mr. SYDNEY SMITH.—Yet the honorable gentleman is anxious that another "show" should be extended to Bombala. I refer to this matter, because it has been re-opened by the right honorable member for Adelaide and by others; and as one who represents the district in which Lyndhurst is situated, I think I have a right to place before honorable members a view which ought to commend itself to their judgment.

Mr. CROUCH.—Did not the honorable member say, according to *Hansard*, page 6434, that Bathurst is a better place than Lyndhurst?

Mr. SYDNEY SMITH.—I have not looked up that matter. At any rate, I did not act in a similar way to the Minister for Trade and Customs, who endeavoured to champion the claims of one site, and voted in favour of another. I did not urge that Tumut was the best site, and vote in favour of the selection of Albury. There are only about 200 voters at Lyndhurst, whilst there are more than 5,000 in Bathurst, and yet I voted in favour of Lyndhurst. As my honorable friend is aware, he advised me not to do so. I felt, however, that I had a right to exercise my own judgment, and

to disregard any risk which I might incur of offending a large number of electors.

Mr. CHAPMAN.—Why does not the honorable member treat the Prime Minister fairly?

Mr. SYDNEY SMITH.—I do. I have given the substance of both his statements. In the first instance he declared that no one could refuse to extend consideration to a site which possessed such marked advantages as Lyndhurst. Subsequently when a question was put to him by the honorable member for Canobolas, he said that he could not make a definite promise upon the matter, inasmuch as it was one for the Cabinet to determine. Yet, the Ministry have refused to shoulder the responsibility of submitting any definite proposal. They say, in effect, "We shall take the responsibility of refusing consideration to any site; but we decline to lead the House upon this question." That is a most humiliating position for any Government to occupy, and one which they could not accept, but for the fact that two Ministers favour rival sites. No doubt they have put their heads together with a view to prevent consideration being extended to other places. I am not anxious to speak at any great length, because I feel that the time has arrived when this debate should close. Personally, I was quite prepared to allow it to terminate upon Friday last. I offered, if other honorable members were willing to forego their right of speech, to do likewise. The right honorable member for Adelaide, however—as he was perfectly entitled to do—occupied considerable time upon Friday last in placing his views before honorable members, and when I ascertained that other honorable members desired to speak, I moved the adjournment of the debate. Repeated reference has been made during the course of this discussion to the question of the wisdom or otherwise of granting a bonus upon the production of iron. The Treasurer last year made a financial statement in which he pointed out that the necessities of some of the States compelled him to defer the consideration of certain proposals which he believed to be essential. He mentioned by way of example that, for the financial year which had then just closed, New South Wales had a deficiency of £247,000; that Queensland had a deficiency of £191,000, and Tasmania a deficiency of £116,000. In these circumstances he felt that the whole of the surplus of £625,000 over and above the

amount which the Commonwealth was required under "the Braddon Blot," to return to the States should be distributed amongst them. Notwithstanding that statement, the Government have foreshadowed in the Governor-General's Speech a large number of measures, the passing of which must involve the Commonwealth in considerable expense. It is interesting to consider some of these proposals in order to see where the Government will land themselves if they succeed in carrying them into effect. We find, for instance, that an expenditure of £50,000, deducted last year, will be incurred in providing equipment for the forces, and that an additional sum of £94,000 will be paid away in accordance with the terms of the Naval Agreement. The Inter-State Commission Bill, the Conciliation and Arbitration Bill, the High Commissioner Bill, and the High Court Additional Expenses Bill, will, if passed, involve the Commonwealth in much further expense, whilst effect has also to be given to the decision of the Court with respect to the position of certain civil servants who were taken over by the Commonwealth, and who claimed that they should receive salaries equal to those paid to officials performing corresponding duties in other States.

Mr. BATCHELOR.—Those civil servants were for the most part taken over from the Victorian State service.

Mr. SYDNEY SMITH.—The additional sum required to comply with the decision of the Court will have to be provided by Victoria, or whatever other State is concerned. Another important proposal made by the Government is the establishment of an agricultural bureau—a proposal which I warmly commend. I realize, as one who has had much to do with agricultural matters, that no more important proposition could engage the consideration of the Government. We have at present a number of State agencies carrying on practically the same class of work. There are, for instance, branches of the Department of Agriculture in each of the States, investigating diseases relating to fruit and stock—a work that could be performed to much greater advantage by a Federal body. The investigation of diseases relating to stock in Queensland must be of importance to all the States, and with one Federal institution to carry out work of this kind, we should be able not only to effect great savings, but to offer salaries which should secure for Australia the best possible expert advice.

Mr. McWILLIAMS.—Is not centralization always more costly?

Mr. SYDNEY SMITH.—One of our objects in establishing the Commonwealth was to secure uniformity in relation to defence, quarantine, customs, postal, and other matters, and thus to reduce the expenses of Government.

Mr. McWILLIAMS.—Have we made any saving?

Mr. SYDNEY SMITH.—The honorable member is now raising the question whether the Commonwealth should have been established. The States of Australia have been federated on certain lines, and it simply remains for us, as members of this Parliament, to see that the Constitution is complied with. We shall certainly be acting in that direction if we give consideration to the establishment of an agricultural bureau. Diseases affecting fruit and stock in New South Wales are also likely to affect those in Victoria, and it is useless to have a regulation for their prevention in one State if no such provision exists in the other. These diseases know nothing of the artificial border lines which separate State from State. The same remark applies to the tick pest, which has involved a loss of perhaps £2,000,000 to the people of Queensland. That disease has been prevented, at considerable expense, from extending to New South Wales, and I contend that we should have Federal officers to see that the regulations are rigidly enforced for the protection, not only of Queensland, but of the whole of Australia. As a State Minister, I had to take very strong measures for the prevention of the spread of the tick pest to New South Wales.

Mr. PAGE.—The honorable member saved New South Wales from the pest.

Mr. SYDNEY SMITH.—I did my best to prevent the extension of the pest, and I succeeded, but my actions incurred the displeasure of a large number of men in Queensland, with the result that I was keenly opposed at the election to which reference has been made. In the absence of proper precautions, the tick pest might extend to New South Wales and Victoria, and I maintain that we should have Federal officers to protect the interests of the whole Commonwealth in relation to these matters.

Mr. McWILLIAMS.—We should have a nice little army of officials.

Mr. SYDNEY SMITH.—No; the adoption of a uniform system would reduce the number. We have at present five or six

branches of States Departments investigating these diseases, and if they were merged into one Federal service, we should be able to maintain a department on modern lines for a greatly reduced outlay. Uniform quarantine laws would be to the advantage of all. Is it not absurd to say that regulations relating to the quarantining of stock should exist in one State under different conditions from those in others.

Mr. PAGE.—Is it not the intention of the Government to take action in the direction indicated by the honorable member?

Mr. SYDNEY SMITH.—I am not sure that it is. I refer to the question because I believe that it is one of very great importance, affecting the well-being of the people of Australia. The Government will also have to provide for taking over the control of light-houses and light-ships; for the establishment of a Statistical Department; for a Federal quarantine service; and for the control of Papua. The last-named item alone involves an annual expenditure of £20,000. Then we have to provide for the newly-organized Patent Office, and are also asked to consider proposals relating to old-age pensions, the establishment of an agricultural bureau, the development of our markets, and the Navigation Bill. Provision has likewise to be made for the ocean mail services. We do not know at present what additional expenditure we shall incur in connexion with the mail services.

Mr. R. EDWARDS.—The expenditure will be less than before, because the Government propose to adopt the poundage rates system.

Mr. SYDNEY SMITH.—I am not prepared to say that the expenditure will be less. But, at all events, the matter deserves our consideration. We have, further, the question of the Federal Capital, which Ministers have promised to consider, while interest will have to be paid on the cost of public buildings taken over by the Commonwealth. According to the Ministerial estimate, the value of these buildings is put down by the States at £10,445,000, and although a former estimate of the value of the public buildings taken over from New South Wales was £3,200,000, a recent estimate submitted to the Minister from that State sets down the total at £4,000,000. Thus, instead of having to provide interest on a total of £10,445,000, we may have to pay interest charges on a total of £11,000,000 or £12,000,000. If we

make the very best bargain possible, we shall have to pay interest at the rate of 3 per cent.; and taking the total value at £11,000,000, we shall thus have to meet interest charges amounting to £330,000 per annum in respect of these properties. Provision will also have to be made to give effect to other measures which are foreshadowed. But how can we meet all these charges and pay bonuses amounting to £324,000, when last year the Government had a surplus of only £625,000, out of which it would have been possible to provide for them? I believe that I shall be able to show that the action of the Government will possibly delay the establishment of iron and steel works in Australia—that those who were considering the desirableness of commencing operations have been led to hold back because of the Government proposals, and are simply waiting to see what action will be taken by the Commonwealth. According to evidence submitted by experts to the Iron Bonus Commission, the Government cannot hope to obtain the approval of Parliament to their proposal to pay bonuses for the encouragement of the iron industry in Australia. I represent a district which is keenly interested in this matter.

Sir WILLIAM LYNE.—Misrepresent it.

Mr. SYDNEY SMITH.—The electors at all events have returned me to represent them in this House, although I did not hesitate when before them to give expression to my opinions on this subject.

Mr. FULLER.—The honorable member's majority on the last occasion was twice as large as that by which he was returned to the first Federal Parliament.

Sir WILLIAM LYNE.—Even then it was only a very small one.

Mr. SYDNEY SMITH.—My majority was twice as large as that by which the honorable gentleman was returned to the first Federal Parliament.

Sir WILLIAM LYNE.—The honorable member is in error; I was returned by a majority of nearly 1,000 votes.

Mr. SYDNEY SMITH.—I believe that the Minister is making a mistake; but at all events I was returned by a majority of nearly 1,000 votes, although I did not hesitate to express my opinion on this subject.

Sir WILLIAM LYNE.—The whole of the bonuses would not be payable in the one year.

Mr. SYDNEY SMITH.—The Bill submitted to the last Parliament made it possible for them to be claimed in one year. If the stipulated output were made in one

year, the total amount of the bonuses would, under a similar measure, become payable in that year. What was the position taken up by the Government? They came down to the House with a proposal to expend £324,000 by way of bonuses for the encouragement of the iron and steel-making industry, although they submitted no satisfactory financial scheme for the payment of those bonuses. They merely threw the measure before honorable members, and asked the House to give effect to it. In Committee a motion was agreed to that the industry should be a State undertaking. Subsequently the whole matter was reconsidered, the proposal to make the industry a State monopoly was negatived, and it was ultimately decided to refer the suggestion to a committee. The decision was arrived at against the will of the Government, who, notwithstanding their firm belief that the Bill was necessary for the development of the iron resources of Australia, allowed honorable members to practically take the business of the House out of their own hands. The matter was referred to a committee, which was afterwards turned into a Royal Commission. What did the evidence disclose? Mr. Sandford, an expert, said that all he required in order to make a success of his industry, and to establish steel works, was cheap pig iron. He was asked, "What would it cost you to produce pig iron at Lithgow?" and he replied "35s. per ton." He was then asked, "What can they produce pig iron for at Pittsburg?" and he replied "39s. per ton." The cost of freight from Pittsburg to Sydney is about 20s. per ton. A Commissioner then put this question—"According to your evidence, Mr. Sandford, you can produce pig iron at Lithgow and land it in any part of Australia at 12s. per ton less than it can be imported. Now, if you can do that, how is it that you did not erect your steel works long ago?" He tried to get out of the dilemma by saying—"In my estimate I had not provided for the interest on the cost of the works at Lithgow." The Commissioner then asked him this question—"If you have not allowed for the interest, does not the same thing apply to the iron works at Pittsburg?" Of course no satisfactory answer was given to that question. Mr. Sandford was next asked by the Commission to state what it would cost him to erect iron works at Lithgow for the production of cheap pig iron, and he answered, "From £100,000 to £125,000," or about one-half of the bonus

which the Government were prepared to give him if they could. But for a few of us who insisted upon an inquiry being held the Government would have paid to Mr. Sandford £250,000, or twice as much as he told the Commission his works would cost. What can honorable members think of a Government who were prepared to do a thing of that kind? Mr. Sandford told the Commission that one of the troubles he had to contend with was the minimum wage, and he said, "That condition would make it difficult for any man to engage in the industry." How was the report of the Commission carried? Consisting of twelve members, six, including the chairman, voted in favour of the report, while six, including the honorable member for Bland, voted against the report, and the chairman—the right honorable member for Adelaide—gave his casting vote in favour of the Bill.

Mr. FULLER.—That was the second time on which the Government was saved by a casting vote.

Mr. SYDNEY SMITH.—Yes. A very funny paragraph is contained in the majority report, which was signed by the right honorable member for Adelaide and other members of the Commission, all protectionists, except the late Sir Edward Braddon.

12. Encouragement is specially needed in the initial stages of the industry to secure the requisite capital.

15. Your Commissioners do not lose sight of the fact that the bonus system in Canada was accompanied by a duty on imports. Your Commissioners, however, do not recommend the immediate imposition of a customs duty, as, pending a local supply sufficient for local requirements, the result might be to temporarily raise the price to the consumer, which should be avoided.

What about all the duties imposed on new industries which have not been established, and which the Minister for Trade and Customs contends have never raised the price of the articles to the consumers? How does that paragraph in the Commissioners' report fit in with that contention? Does it not give away the whole case of the Government? By accident our protectionist friends sometimes speak the truth about their policy. I have always understood the protectionists to contend that it was only during its infancy that an industry required protection. But in the case of the iron bonus, they say, "We are not going to put on a duty, because in the initial stage of the industry the imposition of a duty would raise the price of the article

to the consumer." The honorable member for Melbourne Ports has complained in this report about raising the prices to the iron consumers. But what about the unfortunate thousands of persons engaged in industries throughout the Commonwealth against whom he did not hesitate to impose high duties? What about the imposition of the fodder duties, which caused the loss of millions of stock? The honorable member did not see any harm in taking out of the pockets of suffering people no less than £550,000 at a time when their stock were dying, and they knew not where to turn for food. He did not hesitate to take an extra 25 per cent. out of the pockets of the people for clothing. He did not hesitate to take out of the pockets of the miners 25 per cent. for mining machinery, and out of the pockets of the farmers 15 per cent. for agricultural machinery. In this report, so carefully written, after prolonged consideration, the protectionists say that they do not think that they ought to put on a duty at the initial stage of the industry, because it would raise the price of the article to the consumer.

Mr. MAUGER.—The honorable member is only reading part of the report.

Mr. SYDNEY SMITH.—Here is the part which I have read. I have shown pretty clearly, I think, that the Government have no right to mislead even those who are likely to engage in the industry.

Mr. GROOM.—Mislead!

Mr. SYDNEY SMITH.—Yes, because the Government are leading these persons to believe that this House will assent to their proposal when they know perfectly well that it would be impossible for them to carry a proposal to give a bonus to individuals in that way. They have been afraid to stake their existence on the proposal. If the establishment of this industry is so important a matter to them, how is it that they did not take the responsibility of standing or falling by their proposal?

Mr. McCAY.—May I ask the honorable member on what they have staked their existence?

Mr. SYDNEY SMITH.—Here is another of the protectionists who subscribed to the doctrine that we must not tax an industry in its infancy, but should wait until it has been established.

Mr. McCAY.—I have never subscribed to that doctrine.

Mr. SYDNEY SMITH.—Mr. Jamieson was a member of the firm who wanted the bonus, and were going to carry out the

works at Blythe River. He said, in reply to a question, that the Blythe River Syndicate with which he was connected had been floated into a company of £1,000,000 in £1 shares. The honorable member for Franklin knows the value of the land which they hold.

Mr. McWILLIAMS.—It is quite good enough for them to work without a bonus.

Mr. SYDNEY SMITH.—I am glad to hear that statement from the honorable member. Like myself, he has iron deposits in his electorate, and I contend that if the quality of the iron deposits is good enough, they can be worked without a bonus. Mr. Jamieson told the Commission that £500,000 of the capital of the company is to go to the owners of the mine. And yet the Government propose to give the shareholders a bonus of £250,000. Are they not merely playing with these capitalists and the Parliament in inserting this statement in the opening speech, when they know that they have not a possible chance of carrying their proposal through this House? Ministers have not the courage to give expression to their views, here, and to take the responsibility of their proposal.

Mr. McWILLIAMS.—The owners of the land are not getting anything like the sum named by the honorable member.

Sir WILLIAM LYNE.—We do not usually take much notice of the honorable member's statements.

Mr. SYDNEY SMITH.—I am simply referring to Mr. Jamieson's evidence; but whenever anything is said that the Minister for Trade and Customs does not like, he tries to turn it off in an insulting manner. The honorable and learned member for Illawarra was a member of the Royal Commission. He must know that Mr. Jamieson said that £500,000 out of the £1,000,000 would be allotted to the owners of the land, and that all that the syndicate had to find was £30,000 for initial expenses.

Mr. FULLER.—As far as I remember, that was the evidence.

Mr. PAGE.—It must have been meant that the whole of the island was to be purchased!

Mr. SYDNEY SMITH.—Of course, I do not mean that the land only was to be paid for at the rate of £500,000. I mean the iron deposits as well. There is no machinery upon the property yet, I believe.

Mr. McWILLIAMS.—No; there is none there.

Mr. SYDNEY SMITH.—I know that my statements are correct.

Mr. PAGE.—There will soon be machinery there if the company gets the bonus.

Mr. SYDNEY SMITH.—They will never get it as far as my vote goes. Something has been said concerning the cost of Federation, and the honorable member for Franklin interjected a remark with regard to questionable expenditure. There is no doubt that the Minister for Trade and Customs, when he was before the electors of New South Wales, and also the Treasurer, stated that the cost of Federation amounted in 1901-2 to 1s. 1d. per head of population; in 1902-3 to 1s. 1½d.; and in 1903-4 to 1s. 7½d. The Minister stated that in New South Wales the whole of the expenditure incurred in connexion with the Commonwealth amounted to £269,000. Of course, my honorable friend may justify his statement in one way, but the question I put is—what have the people of New South Wales been called upon to pay in the shape of extra taxation by reason of the policy of the Government? The Government submitted a Tariff, which imposed upon the taxpayers of New South Wales a contribution through the Customs of no less than £3,540,000 additional revenue for the last three years.

Mr. GROOM.—The honorable member forgets that the Commonwealth reduced the Queensland revenue. He should put one State side by side with another.

Mr. SYDNEY SMITH.—I am going to give the results for all the States. We, in New South Wales, have had to contribute in additional taxation, not £269,000, but no less than £3,540,832 in three years, owing to the imposition of the Federal Tariff. South Australia contributed £3,882 more than formerly, and Western Australia £469,930. Queensland saved in taxation £765,674.

Mr. GROOM.—The Queensland Treasurer says that he lost revenue.

Mr. SYDNEY SMITH.—All I know is that according to the statement submitted by the Treasurer, Queensland has paid in three years £765,674 less than she formerly paid in taxation. Her people were saved that amount. Tasmania has paid £322,957 less, and Victoria £455,164 less. Considering the additional taxation levied in South Australia and Western Australia, and the lessened taxation in Queensland, Tasmania, and Victoria, we find that in the aggregate the five States contributed £1,049,983 less than they contributed before Federation, whilst New South Wales contributed £3,540,832 more. But that

does not show all that the New South Wales people contributed. It only shows the taxation through the Customs, and does not take account of the additional prices which the manufacturers were able to charge on account of the high duties. I have no doubt that where the Commonwealth imposed a duty of 25 per cent. upon a certain article, the manufacturers raised their prices by probably 20 per cent. These facts show how the people of New South Wales were misled. I am aware that my honorable friends opposite wish to make out that this is not additional taxation, but they cannot get over the fact that the people of New South Wales have had to pay this money in consequence of the imposition of the Federal Tariff. Had it not been for Federation they would not have been called upon to pay it. New South Wales, before protection was progressing well. Industry was thriving, and there was prosperity throughout the State. There was nothing like the dearth of employment that there is to-day. I am aware that my honorable friends opposite contend that the Tariff has had the effect of giving employment to a large number of men, and that there are not so many unemployed in New South Wales now as there were formerly. Let them make inquiries of such firms as Mort's Dock, the Clyde Works, Hoskins, and Ritchie Brothers, and compare the position now with the position under free-trade. I should like to know whether the working classes of New South Wales consider that they are better off to-day than they were formerly? They will tell any honorable member who inquires amongst them that, in consequence of Customs taxation, they have to pay more for the necessities of life. Our system of taxation has cost the families of working men probably, in some cases, from 5s. to 10s. a week extra. One working man with a family of seven told me that the Federal Tariff meant an expenditure of ten shillings a week extra to him. Others would give similar testimony if appealed to. The Minister for Trade and Customs is very good at making insinuations when he thinks that the evidence to contradict him is not ready to hand. I made a statement a few minutes ago with regard to the number of shares allotted to the present owners of the Blythe River iron deposits. I gave the bald statement that Mr. Jamieson had made in his evidence. I had not thought it necessary to have a copy of the report at hand. But I have a copy of it now, and I will read what Mr. Jamieson

said. The extract will show how far I was correct in the statement which I made.

By Mr. WATSON.—I understand that so far you have not formed the proposed company?

To that question Mr. Jamieson replied—

The company is in existence at the present time. It contains 1,000,000 shares, 500,000 of which are issued to the owners of the mine, and we have to put up £30,000 as well.

The next question was asked by the honorable and learned member for Corinella. It is a wonder that he did not know that the statement which I made was correct.

Mr. McCAY.—I had forgotten it.

Mr. SYDNEY SMITH.—The honorable and learned member should have known that it was correct.

Mr. McCAY.—I thought that it was possibly correct, and I ask for a copy of the evidence to be sent for. I have it here.

Mr. SYDNEY SMITH.—I accept the correction. I want to be perfectly fair in dealing with this matter, because, as I said before, with the exception of the honorable member for Franklin, there is no honorable member in this House whose constituents would be more affected than mine by the giving of a bonus, seeing that nearly all the principal iron deposits in New South Wales are in my electorate.

Mr. JOSEPH COOK.—And the iron-works are in mine.

Mr. SYDNEY SMITH.—Yes, the iron-works are in the electorate of the honorable member for Parramatta; yet he and I both opposed the Iron Bonus Bill. The question asked of Mr. Jamieson by the honorable and learned member for Corinella was—

What is the value of the shares?

Mr. Jamieson said—

They are £1 shares.

I appeal to the House as to whether honorable members are not justified in condemning this barefaced attempt to rob the people of the Commonwealth of £250,000? What I blame the Government for is that by their policy they are obstructing the establishment of iron-works without the aid of a bonus. In view of the evidence of Mr. Sandford that he could produce pig iron cheaper than it could be produced in any part of the world, and that if he had cheap pig iron he could erect a large steel plant, I dare say that if the Government had not said that they were prepared to give a bonus of £250,000, private persons might have been inclined to look into the question. But the Government included the proposal in their programme, though there was no possible chance of carrying it, and they have really

prevented the establishment of an industry which we should all like to see progressing on fair, just, and reasonable lines. Why should the Commonwealth Government pay £250,000 for the establishment of an iron industry; what about the other industries? Why single out the iron industry? There is no justification for it. We have reason to be thankful to the Royal Commission for the information which it elicited. The facts concerning the industry and its prospects are set out by the Commission in a better way than would have been the case if no evidence had been forthcoming. That is one of the strong reasons why I for one supported the reference of the subject to a Commission. The Government opposed it at the time, but I felt that it was due to honorable members and to the people that we should know all about the proposal. It was no light matter for the Government to throw a Bill upon the table and ask Parliament to give £250,000 to the iron industry, because Mr. Jamieson or Mr. Sandford wanted it. We had a right to know what justification the Government had for calling upon the people to contribute to the support of this industry. The question is of great importance, if, as has been pointed out by the Treasurer, after he has provided for all the expenditure foreshadowed in the Governor-General's Speech, and for the payment of interest upon the capital cost of public buildings taken over by the Commonwealth, there will be no surplus left in his hands. If he has no surplus revenue, how are the Government going to provide money to pay this bonus?

Mr. McWILLIAMS.—It will be a very bad look out for some of the States.

Mr. SYDNEY SMITH.—The Treasurer has pointed out that there has been a big deficiency in Tasmania, and also in Queensland. There are twelve or fifteen different items referred to in the Governor-General's Speech which will involve considerable additional expenditure, and the interest upon the cost of public buildings must be provided for as well. This means that the surplus to which I have referred will be absorbed, and if that is the case the Government will be compelled either to propose direct taxation, in which they do not believe, and which they have said is against their policy, or they will have to go to the Customs for additional revenue.

Mr. CHAPMAN.—Is the honorable member in favour of direct taxation?

Mr. SYDNEY SMITH.—No. I have no hesitation in telling the Minister for Defence that I believe that is a matter which should be left to the States.

Mr. JOSEPH COOK.—Ask the Minister whether he is favour of it.

Mr. SYDNEY SMITH.—No; the Government have stated distinctly to the country that they are against the imposition of any direct taxation by the Commonwealth Parliament. They prefer to depend upon the Customs for revenue. But I point out that if the surplus is absorbed, and they go to the Customs for the additional revenue required to pay the bonus proposed, they will need to raise four times the amount of that bonus through the Customs. If after providing for the various items of expenditure, from £320,000 to £350,000 for interest on public buildings, £50,000 for Defence, £94,000 in connexion with the Naval Agreement, £20,000 for New Guinea, and so much more for the Inter-State Commission, the High Court, and expenditure under the Arbitration and Conciliation Bill, and the Patents Act, they have no surplus—and I leave honorable members to judge how far the balance of £270,000 will go to meet the expense of these extra services—and if they have to go to the Customs to get the £250,000 required to pay the bonus for the iron industry they will have to collect four times that amount of revenue; £1,000,000 will have to be collected through the Customs in order to get the £250,000 required to pay bonuses for the iron industry. I ask honorable members and the electors of the Commonwealth if they are prepared to submit to the extortion of another £1,000,000 through the Customs to help this industry, when Mr. Sandford, the leading expert in connexion with the iron industry in Australia, admits there is no justification for it, because he says he can produce pig iron here cheaper than it can be produced in any other part of the world? If he can do that, what justification has the Government for coming down with this proposal? On the merits of the case, and on the evidence submitted to the Commission, notwithstanding their report, there is no justification. I say that the people are not prepared to submit to additional taxation to establish an industry which, according to the promoter of one of the principal iron-works in Australia, can be established without any bonus at all.

I have felt it to be my duty to refer at some length to this question, because I believe the Government are doing an injury to the industry, to my district, and to the district represented by the honorable member for Franklin, and to the Commonwealth, by leading people to believe that there is a chance of getting this bonus when they know that there is no possible chance of it.

Mr. CHAPMAN.—Is the honorable member in favour of the Commonwealth establishing the industry?

Mr. SYDNEY SMITH.—No; I have no hesitation in expressing my views upon a matter of this kind. I think there is sufficient enterprise amongst private persons in Australia to induce them to establish the industry. I believe that the iron industry can be established and developed if those engaged in it are only given a fair chance. Other industries have been developed in New South Wales by free-trade. We have never in that State required any coddling up in the shape of bonuses to establish industries. We have never required to go cap in hand to any Government or to Parliament asking for a duty upon this or that, in order to establish an industry. I said just now that the protectionists gave up their whole case in the clause to which I have just referred in which they say that they do not propose to give a bonus to the industry in the initial stages, because to do so would mean the raising of the price to the consumer. It is a pity they did not consider that when they were levying taxation to the extent of some millions upon the whole body of consumers throughout Australia. The consideration of this matter brings me naturally to the consideration of the proposals of the Government in connexion with preferential trade. When this question was submitted to Parliament I did not hesitate to condemn it in the strongest terms. I felt that it involved the abandonment of the principles of free-trade which have done so much to advance the interests of Great Britain. The question has got into a peculiar position. We have two assertions made in connexion with it. Mr. Chamberlain has stated that the exports of Great Britain are stagnant or declining. That was his first statement. Then he has stated that the Colonies are proposing an offer which England should accept, to prevent the disruption of the Empire. The Prime Minister has wired to Mr. Chamberlain an invitation to come here to prosecute his campaign in favour

of preferential trade, but he has never had the courage to submit any proposal for preferential trade with the old country, nor has Mr. Chamberlain, on the other hand, ever submitted any proposal of the kind to us. Both are using the question for electioneering purposes. That policy did not succeed here, because, as I have already said, the Government have been sent back with only five supporters from the whole of Australia outside of Victoria. Since the question was raised, there have been twenty-seven by-elections in England, in thirteen months. The electorates concerned previously returned twenty-one Conservatives and six Liberals. At the by-elections after Mr. Chamberlain had ventilated his policy, and after our friends here had told us that England was going in for protection, the appeal to these constituencies resulted in the return not of twenty-one Conservatives and six Liberals, but of fifteen Liberals and twelve Conservatives. Mr. Vicary Gibbs, one of the prominent members of the House of Commons for London, appealed to his constituents in support of Mr. Chamberlain's policy, and he was defeated, although he had been previously elected unopposed. The *Times* stated that the rejection of Mr. Gibbs was the most severe defeat which the Government had received. Sir John Fowler, speaking upon the question, gave a very good definition of Mr. Balfour's political attitude in this connexion. He said that he was like a man trying to walk down both sides of the street at the same time. He did not really know what Mr. Balfour was in favour of if it were not some such proposal as Mr. Chamberlain advocated, involving taxation of food. When the proposal to impose taxation upon food was first submitted in the House of Commons we were discussing the Federal Tariff, and I remember the right honorable member for Adelaide, Mr. Kingston, who was then Minister for Trade and Customs, coming into this Chamber, and, with other honorable members, glorying in the fact that at last England had come to her senses and was going in for protection. How long did it last? The Imperial Government removed that taxation, and then came out with these preferential trade proposals, involving, not only taxation of food, but retaliation. Supporters of the Federal Government used this fact throughout Australia in their attempt to show how farmers and others would be benefited by preferential trade, seeing that Great Britain would be forced to deal with them

for butter, meat, wheat, and other produce, as against the foreigner. But the Imperial Government has dropped that intention. They now say that they are not going to put a tax upon food or upon raw material. They know well that to impose taxation upon food would be to do what has been done in this country—to tax the people who are least able to bear taxation. We know the distress which prevailed in the old country under the iniquitous system of protection, and, in view of the experience gained there, we feel sure that there is no possible chance that the people of Great Britain will ever go back to that worn-out policy. The Prime Minister, on behalf of Australia, as he said, expressed his approval of the preferential trade proposals of the Imperial Government. I say that the honorable gentleman had no right to pledge this Parliament, or the Commonwealth, to any proposal of that kind. If he is in favor of these proposals, his clear duty is to come down to Parliament and say—"I believe this ought to be done, and I ask Parliament to give its assent to it." He would then be speaking for the Parliament and for Australia. How can the Government speak for this Parliament, as they have done in the Governor-General's Speech, when, as I have said, they comprise the smallest party in the House of Representatives, and their party does not number more than one-fourth of the members of both Houses of the Federal Parliament.

Mr. JOHNSON.—The Government have not even consulted that one-fourth.

Mr. SYDNEY SMITH.—That fact I have already pointed out, and I contend that Mr. Chamberlain is placed in an unfair position. I am not amongst those who endeavour to make little of Mr. Chamberlain, because I realize that he is a man of great ability.

Mr. McDONALD.—And many characters.

Mr. SYDNEY SMITH.—I shall not enter into any personal matters. Mr. Chamberlain is a man of whom, in time past, I held a very high opinion, regarding him as a clever man and a great debater, and, notwithstanding that I differ from him on the question under discussion, I should be very sorry to see him out of the British Parliament. In my opinion, Mr. Chamberlain has been misled, and the Commonwealth Government are wrong in inviting him to visit Australia without the approval of Parliament having previously been obtained. This invitation, in my opinion,

subjects Mr. Chamberlain to an indignity, seeing that he is asked to interfere in our politics. Besides, it is most improper to invite here a partisan in a policy which is erroneous and inimical to the best interests of the people of England. The by-elections in England during the last thirteen months—and the votes of the people are the best indication—show that the old country is averse to Mr. Chamberlain's proposals. Mr. Balfour now says that while he is a free-trader, who would not tax food or raw material, he believes in retaliation; and in this connexion the Minister for Trade and Customs, who is the President of the Protectionist Association, affords a rather amusing example. The Minister for Trade and Customs, as President of the Association I have mentioned, sent home a cable message to the effect that the people of Australia are in favour of preferential trade—preferential trade, mark you, which consists not in reducing the duties as they affect England, but in increasing the duties as against the rest of the world.

Mr. JOHNSON.—That is queer loyalty.

Mr. SYDNEY SMITH.—It may or may not be loyalty, and I see that the honorable member for Melbourne Ports has subscribed to the same doctrine. We do not know what the opinion of the Minister for Trade and Customs is on this question, though I think we ought to have heard him, seeing that he is president of the protectionist organization. However, the Prime Minister, before the election, told the electors that he practically subscribed to the doctrines embraced by the Minister for Trade and Customs and the honorable member for Melbourne Ports. Now the Prime Minister tells us that he thinks that there ought to be a reduction made in some of the duties as they affect England, though he does not tell us what duties.

Mr. DUGALD THOMSON.—That means increased protection.

Mr. SYDNEY SMITH.—That is a nice way in which to treat the motherland, from whom we have ever had the right hand of fellowship extended, and to whom we are indebted for all the liberties which follow in the train of responsible government. It would be poor consolation to the old country to know that if she were shut out from the markets of Australia by a high wall, other nations of the world would be shut out by a higher wall. Here I should like to ask, what evidence is there of the failure of the free-trade policy in England?

Is it not a fact that the iron industry there is in a sound and solid position, and extending by leaps and bounds without protection? And so with the steel and cotton industries. Great Britain does not produce an ounce of the raw material, and yet she exports 66 per cent. of the whole of the cotton consumption of the world. The shipping trade alone gives a return of £90,000,000 a year, and I remind honorable members that these figures are from the statistics which were practically asked for by Mr. Chamberlain and his party, and were submitted to the world by the Board of Trade at the instance of the present Government. In 1862 Great Britain lent out money to the amount of £144,000,000; in 1872 that had increased to £600,000,000, and in 1882 it was £1,698,000,000, while in 1903 the total was £2,100,000,000. Is there any evidence there of decay? Great Britain can find not only enough money to maintain her enormous army and navy, but also that gigantic amount to lend to foreign countries. As to paupers and wages, it is a well-known fact, according to the Board of Trade's report issued by the Balfour Government in August last, that in fifteen trades the wages average 36s. per week, as against 22s. 6d. paid in Germany, and 22s. 10d. paid in France. Is there any evidence there of the great advantages of protection? And, notwithstanding the difference in wages, it costs more in protected foreign countries to buy beef and wheat—which, it will be admitted, are the mainstays of life—than it does in the old country; our people also work a less number of hours. We are also told that the exports of England are decreasing; but from the shipbuilding returns we see that Great Britain last year built more new ships than all the rest of the world put together, and, moreover, built them at a cost 25 per cent. cheaper than that at which they could have been produced in America. In 1896 there were in Great Britain 316 tin mills; but, according to the Board of Trade's report, that number had, by 1902, increased to 397, the export of tinned plates being 3,000,000, as against an importation of 100,000 plates. There is no evidence of decay when such splendid results can be shown. Referring again to wages, I may point out that those of bricklayers increased 11 per cent. in England between 1878 and 1902, and about 6 per cent. since 1897. The wages of carpenters also increased, as did those of

coal-hewers, the latter to the extent of 25 per cent. from 1878 to 1897, and since that year 15 per cent., their remuneration being twice as much as that earned in France or Germany, and much higher than that given in America. The returns from the income tax, based on property and products, are a good test of stability. In 1882, in Great Britain, the annual value of properties and products assessed for income tax was £600,000,000, which, by 1902, had increased to £920,000,000. Then, again, the exports of British produce in the three years 1860-2 inclusive represented £384,000,000, which in the years 1880-2 had increased to £698,000,000, while for the years 1900-2 the total was £831,000,000. The deposits in the savings banks are also a good test of prosperity. In 1872 the number of depositors in the Savings Banks in Great Britain was 2,867,000, with deposits representing £59,000,000; while in 1902, or thirty years later, the depositors had increased to 10,803,000, and the deposits to £197,000,000. The shipping clearances of the world represent 544,000,000 tons, for practically one-half of which Great Britain is responsible. The Prime Minister did not tell the electors that to-day the working classes of the old country are enjoying better wages, cheaper food, cheaper raiment, and working shorter hours in better conditions than are other workers in France, Germany, or Belgium. Neither did he say that where protection has been tried it has resulted in worse food, worse clothing, longer hours, poorer wages, and worse housing. This system of taxation is a small matter to the man of wealth, but to the poor man it is of great consequence. Before we respond to Mr. Chamberlain's invitation, we ought to be shown that the policy of free-trade has been a failure; and of this there is no evidence. At all events, I cannot subscribe to a policy which, in my opinion, has brought so much trouble to such countries as Germany, France, and Belgium. We are asked to protect British goods against pauper-made goods: that is, goods made in countries where protection has been the policy for years. If protection is so splendid a policy, how is it that there are so many paupers and so much distress in the countries I have mentioned?

Mr. JOHNSON.—There are many thousands of unemployed in Berlin.

Mr. SYDNEY SMITH.—In England, to-day, there are fewer paupers than there

were in 1854, although the population has increased by many millions since that year. This decrease is particularly noticeable in the case of able-bodied paupers; but I do not want to weary honorable members with figures. I feel strongly on many of these matters, and I hope that the Government, before asking the House to deal with the questions which they say are to be submitted to us, will review the situation. I hope that they will look carefully into the state of the Commonwealth finances, in order to see where the large additional expenditure proposed by them will land us. They say that the States are in difficulties, so that they cannot keep money back from them, and that they do not believe in direct taxation. That being so, I hope that we shall have much fuller information than has yet been given to us in regard to the probable effect of the measures which they intend to ask Parliament to pass. Some of their proposed items of expenditure are no doubt very proper, especially that relating to the obtaining of information in regard to agricultural matters, and the investigation into the circumstances under which our exports are shipped to England. Those are matters which ought to receive the consideration of the Government. I think that united action on the part of the Commonwealth and the States should bring about a substantial reduction in freights, and prevent a monopoly, and that, of course, would be of immense advantage to our producers. The Government, however, should not have put into their programme measures which they have no chance of passing. Their action in promising to again submit a Bill providing for the granting of bonuses for manufactures is to be deplored for the sake of our manufacturing industries. Such a measure is not likely to be passed by Parliament, and therefore to propose to grant bonuses for the manufacture of iron is more likely to retard than to assist the development of the iron industry.

Mr. CROUCH.—What about the fiscal issue?

Mr. SYDNEY SMITH.—The honorable and learned member is an advocate of fiscal peace. I admit that the members of the Opposition fought the battle of the elections on behalf of free-trade, but as we were not able to secure a sufficient following to enable us to alter the fiscal policy of the Commonwealth, a revision of the Tariff by this Parliament is impossible. Still, as the Government referred in the speech to the

question of preferential trade, I felt it my duty, especially after the remarks of the right honorable member for Adelaide in regard to a statement which appeared in a certain newspaper the other day, and after the speech of the Prime Minister, to give expression to my views upon the subject.

Mr. DAVID THOMSON (Capricornia).—I have been listening for now nearly three weeks to the long and tortuous debate upon free-trade and protection which has been proceeding in this Chamber. Some of the voluble gentlemen who represent New South Wales have become so accustomed to the discussion of the fiscal question in their own State that they find it impossible to abandon it in the Commonwealth Parliament. I remember that the question was a burning one in New South Wales even in my time there.

Mr. JOSEPH COOK.—Does the honorable member come from New South Wales?

Mr. DAVID THOMSON.—Yes, and I voted for the honorable member when he first stood for the State Parliament. At that time I believed that he was a protectionist. At any rate, he was a member of the party to which I now belong.

Mr. JOSEPH COOK.—That is not correct. I never joined any caucus party. The honorable member knows it.

Mr. DAVID THOMSON.—It seems to me that the fiscal question has very little to do with the subject under discussion, the adoption of an Address in Reply to the Governor-General's Speech. The only excuse for its introduction is the reference in the speech to the subject of preferential trade. Although I am a protectionist, I have sunk the fiscal question, and I shall do my utmost to prevent fiscal strife from interfering with the commerce and business of the country. Some of the representatives of New South Wales appear to wish to dominate this Assembly. They tell us that this, that, and the other is done in their State, and seem to think that nothing else is of importance. I have lived most of my life in New South Wales, but I think that members of this Parliament should be moved by the Federal spirit, and, therefore, although I am now a representative of a Queensland constituency, I shall not have much to say about my State until I wish to bring its wants or grievances before honorable members. The present occasion seems to be regarded as opportune by many honorable members for the ventilation of grievances and for the reiteration of their electioneering and hustings speeches, in

order to secure their publication in the Commonwealth *Hansard*; but, after it all, we are not very far forward, most of those who have spoken having come out of the hole at which they went in. In my opinion, when no amendment is moved upon a formal motion such as that for the adoption of the Address in Reply to the Governor-General's Speech, it should be sufficient for the leaders of parties to speak on behalf of those whom they represent, and for the House then to proceed with the business of the country. If that had been done on this occasion, we should have saved some thousands of pounds, and the people would be all the better off. I have not been out of the chamber for more than ten minutes altogether since Parliament met, and have listened to all the speeches which have been made during this debate; but the only statesmanlike and Federal utterance which I have heard was that of the right honorable member for Adelaide. The right honorable member is ready even to agree to the choosing of the site of the Federal Capital at once.

Mr. CROUCH.—Does not the honorable member support Bombala?

Mr. DAVID THOMSON.—I shall not say now. I have not yet had the pleasure of making a picnicking excursion to the various sites. I think, however, that the question should have been settled long ago. I am ready to vote for the choosing of a site in New South Wales. I know the three principal sites proposed fairly well, and no doubt the State of New South Wales is entitled to have the matter definitely dealt with. The members of the Opposition have said all the nasty things they can about the Government and about Mr. Chamberlain, and some of them have gone so far as to play the school-master by lecturing the members of the Labour Party. After all their gas, I should like to know what they would do if they were in power. They know that if they occupied the Ministerial benches they would be in no better position than is the present Government. They would have to depend upon the Labour Party for their support, because it would be impossible for any Administration to carry on without it.

Mr. HUTCHISON.—Would our consciences stretch so far as to allow us to support the Opposition?

Mr. DAVID THOMSON.—I cannot say. That is a matter which we should have to decide in caucus. There is no doubt, however, that they would require our

support if they wished to keep in power, unless, of course, they could marry the present Ministerial party. It has been said that at the last elections the members of the Labour Party were supported by the Government. I give that statement an emphatic denial. In my electorate, one of the candidates was a member of the National Liberal Union, and because he was not chosen as the representative of the party, he drew up a programme of his own, and called himself a Deakinite. His secretary, whose remuneration depended upon the success of the candidate, wired to the Prime Minister, asking him to send up some of his gladiators to assist him in fighting the labour candidate, who, he said, had "no show," and the Prime Minister sent the Attorney-General. After speaking in my electorate in vain, that honorable and learned gentleman proceeded to Brisbane, and there spoke for two other candidates, both of whom were returned at the bottom of the poll. I do not blame the Attorney-General for that. I mention the circumstance merely to show that the members of the Labour Party were not supported by the Government in several cases which came under my notice, and I know of no case in which they were so supported. I am sorry that the Government are not able to put forward a better scheme for the payment of old-age pensions. Commonwealth provision for old-age pensions is one of the principal planks of the labour platform, and I should like to see something done towards carrying it into effect. There are many old men and women in the community who, after toiling valiantly for many years, are now, through no fault of their own, reduced to penury. Are they to be left on the road-side of life to starve and die while others pass them by? The Conciliation and Arbitration Bill is a measure from which the Labour Party hope much in the settlement of industrial disputes. I do not know what the Government ultimately intend to do in regard to the proposed application of the provisions of that measure to State and Commonwealth public servants, including railway employes; but, as there has been some talk of a dissolution, I say that the Labour Party cannot be frightened by a threat of that kind. I should not be afraid to submit myself again to the electors of Capricornia to-morrow. I do not propose to detain the House very much longer, because I really have no grievance to ventilate. I had some cause for

Mr. David Thomson.

complaint arising out of the conditions proposed for the new English mail contract, in connexion with the suggestion that the steamers should be required to call at Brisbane. But the fact that no tenders were received for the mail service has cut the ground from under my feet so far as that is concerned. My feeling is, however, that Queensland does not receive very much consideration. The representatives of New South Wales and Victoria carry on the fight in this House, and honorable members from other States act as allies to one side or the other as occasion may seem to demand. I trust that the business of the country will not be further delayed by the undue prolongation of this debate.

Mr. FULLER (Illawarra).—I do not propose to refer to the speech of the honorable member for Capricornia, except to comment upon his remarks regarding the quantity of Opposition "gas" which has been introduced into the debate. The honorable member desired to know what the Opposition could have done if they had occupied the Ministerial benches. I would inform the honorable member and the country generally that if the Opposition had occupied the Ministerial benches and had come back from the country with a much reduced majority, they would have refused to hold office under the degrading circumstances in which the present Ministry now find themselves.

Mr. DAVID THOMSON.—What party would have filled the vacancy?

Mr. JOSEPH COOK.—The party to which the honorable member belongs.

Mr. FULLER.—As a result of the appeal to the country the Ministry sustained a defeat, and they now have a smaller number of supporters than during the last Parliament. I believe that this result was, in a large measure, due to the action of the Government in connexion with the electoral rolls, and their refusal to recognise the equal rights of all the men and women voters in the Commonwealth. The representatives of New South Wales, in the last Parliament, fought night after night in an endeavour to bring the Government to their senses and induce them to follow the basic principle of the platform of the Labour Party ever since it came into existence, namely, "one adult, one vote." What is the use of passing an Electoral Act embodying the principle of one adult one vote and at the same time distributing the electorates in such a way that, in some constituencies—mine amongst

the number—three votes are equal to only one vote in others, such as the Darling electorate. The distribution of the electorates involved a gross violation of the basic principle upon which the Constitution is founded, and every representative of labour and every Liberal in this House should regard the action of the Government with absolute scorn. The Minister of Trade and Customs has boasted that he was responsible for the introduction of womanhood suffrage. But he was no more responsible for that, except that he was in charge of the Bill, than was any other honorable member. The Constitution provided that, when an Electoral Act was passed by the Commonwealth, uniformity with regard to the suffrage should be brought about, and that in no case should the suffrage in any State be reduced. Owing to the fact that womanhood suffrage had been in existence in South Australia for many years, and in view of the restriction placed upon us by the Constitution Act, under which the suffrage could not be reduced in any State, it was incumbent upon us to provide for the exercise of womanhood suffrage throughout Australia. Therefore, the Minister for Trade and Customs, although he had charge of the Bill dealing with the subject, was in no sense responsible for conferring the franchise upon women.

Sir WILLIAM LYNE.—The honorable member knows very well that he is not stating the truth.

Mr. FULLER.—I direct your attention, Mr. Speaker, to the fact that the Minister has stated that I am not speaking the truth.

Mr. SPEAKER.—I must ask the Minister to withdraw his remark.

Sir WILLIAM LYNE.—I withdraw it.

Mr. FULLER.—I accept the Minister's withdrawal, and I appeal to honorable members who are familiar with the Constitution and with the fact that in South Australia womanhood suffrage had been in existence a number of years prior to Federation to support me when I state that it was incumbent upon us to adopt womanhood suffrage for the whole of the Commonwealth. The Minister is too much disposed to say that statements made by other honorable members are not true.

Sir WILLIAM LYNE.—I call a spade a spade.

Mr. FULLER.—The Minister is quite entitled to do that so far as I am concerned, but he went further than that. In the first paragraph of the Governor-General's Speech reference is made to the severe

drought which has occasioned grievous losses to all classes of the community. Australia, and particularly New South Wales and Queensland, has, during the last nine or ten years, passed through the most severe drought ever experienced. But I am not inclined to think that this drought has been disastrous to all classes of the community. It is true that the farmers of New South Wales and the pastoralists of Queensland have suffered severely; and that they have also had additional burdens placed upon them in consequence of the legislation which has been passed by the Federal Parliament at the instance of the Government. In the farming districts of New South Wales and in Queensland very heavy losses have been incurred by the owners of stock. Our herds have been diminished by tens of thousands, and our flocks by millions. It was hard enough for our settlers to bear the drought, but when the additional burdens imposed by Federal legislation had to be borne, our farmers and settlers were ruined by hundreds. When I appealed to the Ministry, during the most distressful period of the drought, to at least suspend the fodder duties in order to afford our settlers an opportunity to obtain food for their starving stock, I was treated in the most inconsiderate spirit by the late Minister of Trade and Customs, who was supported by his colleagues in the Government. In other protectionist countries duties have frequently been suspended in times of national distaste. But in our case the Government refused to suspend the imposts placed upon fodder by the Executive before the Tariff was adopted; although such duties might easily have been suspended for the time being by the same power that imposed them. The right honorable and learned member for Adelaide, who was then Minister for Trade and Customs, and Senator O'Connor, the representative of the Government in the other Chamber, stated that the disaster that had befallen New South Wales and Queensland was the opportunity of Victoria, South Australia, and Tasmania. We know that, in very many instances, men who had large surplus stocks of produce in the latter States made immense sums of money out of the misfortunes of their fellow-citizens in New South Wales and Queensland. Therefore, the drought was not, as represented in the Governor-General's Speech, disastrous to all classes of the community. The produce merchants of Sussex-street, Sydney, and of

Melbourne also made vast sums of money out of the extreme necessity of the stock-owners of New South Wales and Queensland. In consequence of the duties imposed by the Tariff, these men were enabled to grow rich out of the farmers and others by charging exorbitant prices for the fodder they required. How can the Government put into the mouth of the Governor-General the statement that the drought "has occasioned grievous losses to all classes of the community," when, owing to the inhumane action of the Government, the farmers of Victoria, South Australia, and Tasmania, and the produce merchants of our large cities, made fortunes, in the way I have represented. When the Tariff was introduced the Government proposed certain duties, with a view to catch the votes of the farmers, and they are making a somewhat similar attempt in the Governor-General's Speech. In paragraph 6 we are told—

With a view to giving assistance wherever possible to those engaged in the cultivation of the soil, and as a preliminary to the establishment of an Agricultural Bureau, you will be invited to consider the best means of assisting the farmer, by bounties and otherwise, to grow new crops and find new markets. Speedier and cheaper transportation to the large centres of population of meat, butter, and fruit, under improved conditions, is much to be desired.

The Government appear to me to be acting in a manner well calculated to destroy that fiscal peace to which they have been so fond of referring. I look upon bounties as the natural corollary of the iniquitous system of protection, which the Government have fastened upon the Commonwealth, and when it is proposed to assist farmers, or any other class of the community, by means of bounties, the fiscal question must be raised, and peace upon that subject abandoned.

Sir WILLIAM LYNE.—Does the honorable and learned member forget that that portion of the Tariff referring to the bounties, namely, section VI A., has never been brought to completion?

Mr. FULLER.—The Tariff, although not completed, has served to extract money from the pockets of the farmers and settlers who are amongst the most deserving of our people. The Opposition fought for a period of eleven months against the Tariff proposed by the Government, with the result that the amount of revenue expected to be derived from the duties was decreased by £1,500,000. We directed special attention to the reduction of the taxes proposed to be imposed upon the masses of the people. I also opposed the bounties

and bonuses to which the Minister for Trade and Customs has just referred and as one who had the advantage of sitting as a member of the Bonuses for Manufactures Commission, I can assure the Minister that the particular part of the Tariff to which he has referred will not be completed if I can help it. I should like to know what "otherwise" means. We have had no explanation regarding this. My own feeling is that the best way in which the farmers can be assisted is by removing the duties which are pressing hardly upon them at present. Protectionists are very fond of referring to New Zealand, and ascribing the prosperity of that Colony to the system of protection adopted there. The people of New Zealand, however, although protectionists, have been clever and shrewd enough to so adjust the burdens of taxation that they shall fall as lightly as possible upon those engaged in their great primary industries. Let us compare the New Zealand Tariff with that of the Commonwealth. I have here a list of the articles used in the primary industries which are placed upon the free list in New Zealand. It includes the following:—

All machinery for agricultural purposes, and material used in manufacturing same. All agricultural implements, including axes, hatchets, spades, forks, scythes, sheep-shears, plough-chains, &c.; gas and oil engines, portable engines, traction engines; fencing wire, plain and barbed; iron of all sorts; machinery for dairying purposes; reapers and binders and reaping and mowing machines; binder twine; jute bagging, bags and sacks, woolpacks; manures; butter and cheese cloths.

And so on with all those articles which are most generally used by farmers and others engaged in primary industries. How have the Commonwealth Government treated our farmers? Had they been successful in their efforts, every one of the articles which are used in our primary industries would have been taxed right up to the hilt. It was only after the most severe and prolonged fighting that the Opposition, assisted in some instances by the Labour Party, were able to reduce the burden of taxation upon our miners and farmers. When our protectionist friends point to New Zealand, I should like them to realize that the Government of that country have been wise enough to recognise that the best way in which to assist its primary industries is by placing practically the whole of the implements used in connexion with them upon the free list. In my judgment, the best encouragement that can be given to the dairy farmers, for whom I specially plead, is

to relieve them of the burden of taxation from which they are suffering at the present time. Let me recall the way in which the Ministry attempted to tax the mining industry. It was only after a most severe struggle that we were able to secure a reduction of the duty upon mining machinery. Surely we must recognise that our primary industries are the backbone of Australia. Yet some honorable members talk about our manufacturing industries as if the wealth and prosperity of the Commonwealth depended upon them. The Prime Minister has declared that the leader of the Opposition evinced a spirit of provincialism in connexion with the recent Federal elections. I hold that the honorable gentleman himself has been the greatest offender in that respect. I need scarcely recall his visit to Williamstown, where he accused honorable members of the Opposition of having opposed every manufacturing industry—more particularly the industries of Victoria. The Opposition never did anything of the sort. It is true that in the interests of the great mass of the people we opposed many duties which were proposed in connexion with our manufacturing industries, but our action was not prompted by any regard for the fact that those industries were established in Victoria. We refused to believe that a wire-nail manufactory upon the banks of the Yarra was a great national industry, as the honorable member for Melbourne Ports and the honorable member for Bourke would have us believe.

Mr. MAUGER.—When did we tell the honorable member that it was a great national industry?

Mr. FULLER.—The statement was repeatedly made during the period that the Tariff was under discussion.

Mr. MAUGER.—The honorable member cannot find it in any part of the debates.

Mr. FULLER.—I am convinced that if I were to refer to *Hansard* I should not experience the slightest trouble in finding it. We are also informed in paragraph 6 of the Governor-General's Speech that—

Speedier and cheaper transportation to the large centres of population of meat, butter, and fruit, under improved conditions, is much to be desired.

No doubt the speedier transportation of our perishable products is much to be desired. Cheapness is also very desirable, but cheapness depends upon something more than freights and steamers. It depends upon the facilities which we afford to our producers. It is useless to talk of giving

them cheap transportation to the great centres of the world if we hamper them by our legislation. What country is our greatest competitor in connexion with the butter industry? It is the little country of Denmark, which to-day supplies 42 per cent. of the whole of the butter which finds its way to the English market.

Mr. MAUGER.—Its people are heavily handicapped in the same way as our own.

Mr. FULLER.—No. The tariff of Denmark practically exempts from duty every implement that is used in connexion with the dairying industry. It is significant that of recent years the progress of this industry in Denmark has been very marked, whereas that of Sweden has diminished since she adopted a protective policy.

Mr. MAUGER.—Has the honorable and learned member read the Irish Commission's report upon Denmark?

Mr. FULLER.—No. It is not necessary to go to the report of the Irish Commission to ascertain what is the true position of affairs. Our own representatives have visited Denmark, Sweden, and other parts of the world for the purpose of learning what is going on. The honorable member for Richmond has assured us that England will always provide us with an enormous and reliable market. But I would point out to him that the preferential trade proposed will not provide us with such a market. To-day the Australian States, including New Zealand, are supplying only about 12 per cent. of the butter that is consumed in England. Our chief difficulty is that we cannot keep up our supplies. The year before last New South Wales exported to London and other European markets about 8,000,000 lbs. of butter, whilst Victoria exported 26,000,000 lbs. Last year, however, in consequence of the drought, New South Wales exported only 121,000 lbs., and Victoria only about 1,000,000 lbs.

Mr. MAUGER.—That was not the result of the heavy duties, but of the drought?

Mr. FULLER.—That is so. The point I wish to make is that whilst the opportunity presented itself to them, our producers were handicapped by being called upon to pay heavy duties. Our chief difficulty has been to keep up a regular supply to London, as well as to other markets. In order to justify that statement, I would point out that in 1900 New South Wales exported 8,477,617 lbs. of butter to the United Kingdom, but that in consequence

of the drought our exports to that market in 1902 were reduced to 121,672 lbs. A somewhat similar state of affairs existed in regard to the export of butter from Victoria, although this State did not suffer from the drought to anything like the same extent. The statistics show that, while in the year 1900 Victoria exported 26,185,679 lbs. of butter, in 1902 she exported only 1,424,460 lbs. However strong may be the faith reposed in them by the Ministry, I do not suppose that any system of preferential trade, or of bounties to assist the agriculturists, will ever cause an abundant rainfall, and thus enable us to keep up a regular supply on the London market. When that regular supply is not forthcoming grocers and others who deal in Australian produce find it necessary to turn to the producers of other countries in order to meet the wants of their customers. The comparison shows that, in respect of Australian butter alone, the exports for 1902, as against those for 1900, were reduced by 35,000,000 lbs. That quantity, having regard to the total consumption of butter by the London market, is a comparatively small one, but it is a very large quantity as compared with the total supply sent away by us. When, by reason of severe drought, our output suffers so severely, we must naturally be confronted with enormous difficulties in placing our products on the markets of the world. We have overcome, to a considerable extent, the difficulty in relation to quality, but we have still this further obstacle to face. I sincerely trust that we are now at the beginning of a round of good seasons, which will give our producers much better results than they have obtained during the last ten years. Coming to the position of the Government, I would remind honorable members that, in the opinion of the Prime Minister, the existing state of parties in this House is practically impossible. The Government appealed to the country on their administration, and were practically defeated.

Mr. DEAKIN.—Both the Government and the Opposition suffered.

Mr. FULLER.—I repeat that the Government were practically defeated. The Opposition certainly failed to improve their position; but, according to the Prime Minister himself, the present situation is impossible. It was not for want of trying, or for lack of specious promises on their part, that the Government suffered defeat. During the last Federal elections we had the same old game as

was played at the first Commonwealth elections, played in the same old way, by practically the same old hands: At the first elections we had Sir Edmund Barton and Mr. O'Connor preaching to the people of New South Wales a moderate Tariff—a national Tariff—a Tariff of revenue without destruction.

Mr. DEAKIN.—That is all that the people obtained.

Mr. FULLER.—I am referring to the positions of the combatants at those elections. In Victoria we had at the same time the present Prime Minister and the Treasurer calling on the people to stand shoulder to shoulder in the interests of protection.

Mr. MAUGER.—And they did so.

Mr. FULLER.—Yes. The right honorable member for Adelaide did exactly the same thing in South Australia. At the last elections, however, we had the Prime Minister at Ballarat, Sydney, and other large centres of population in the Commonwealth, joining with the Minister for Trade and Customs in the cry of "Fiscal peace and preferential trade." That was the cry put forward, more particularly in New South Wales, because the Government knew that if they used the word "protection" there they would be defeated at the poll. On the other hand, the Treasurer declared at St. Kilda, on the 13th November last, that the fight must be on the question of free-trade or protection.

Mr. DEAKIN.—That was true.

Mr. FULLER.—But in New South Wales the Prime Minister emphatically dropped the word "protection," and called for "fiscal peace." He asked that the degree of protection, at present in force, should be maintained; but, at the same time, the Treasurer was calling upon the people of Victoria to fight for protection.

Mr. DEAKIN.—He was only defending the protection we had; he was not asking for more.

Mr. FULLER.—Quite so; but if a sufficient majority of protectionists had been returned to this House to enable the Tariff question to be raised, I doubt whether the desirableness of fiscal peace would have been considered. We know that the protectionists did their best in this House to make the Tariff as high as possible. They did so because of various interests, and I doubt very much whether, if a majority of protectionists had been returned, we should not have found them fighting once more in the same interests, as opposed to the interests of the great industries of Australia. The Minister of Trade and

Customs dropped the cry of protection in New South Wales, and called for fiscal peace and preferential trade. He knew that it was useless for him to raise the cry of protection—that practically the whole of New South Wales was true to the principle of free-trade—a fact that was demonstrated at the ballot-box.

Sir WILLIAM LYNE.—What nonsense.

Mr. FULLER.—The Prime Minister in the course of the campaign visited Sydney, and I had the pleasure of hearing the magnificent speech which he delivered in the Town Hall. I always delight in listening to the addresses of the honorable and learned gentleman, and never miss an opportunity to hear him. I was very much struck by the magnificent way in which he introduced himself to the ladies of New South Wales. The platform of the Town Hall was beautifully decorated by some of the ladies of Sydney, and in introducing himself to that vast audience the Prime Minister, pointing to the lovely flowers upon the table, said—

Here we see the flowers of their taste and judgment; we shall see the fruit at the ballot-box.

But the fruit which the Government gathered at the ballot-box was very bitter. The Prime Minister, in his charming way, appealed to the women of New South Wales to support his policy, and the sole result of the appeal made by him in Sydney, Armidale, and various other centres of population in that State was the return of the honorable member for Richmond, who is the solitary representative of that State sitting in a private capacity behind the Government. The Government lost Mr. Francis Clarke, who formerly represented Cowper in this House, as well as others who were among their strongest supporters, and whose absence, from a personal point of view we all regret.

Mr. DEAKIN.—The honorable and learned member would have been sitting on this side of the House had he given his judgment free play.

Mr. FULLER.—The meeting held by the Prime Minister in the Town Hall was from one point of view a notable one. The hall was crammed to its utmost capacity, and protectionists—the Prime Minister among them—left the meeting with the idea that they had converted the people of Sydney; that they had made a magnificent impression upon them.

Mr. DEAKIN.—The honorable and learned member does not find that I ever said so.

Mr. FULLER.—No, but I shall quote two telegrams which I think will show that the Prime Minister thought so, even if he did not say so. The first of these telegrams was sent by "Samuel Mauger," of 66 Bourke-street, Melbourne, to "Mr. Alfred Deakin," and was as follows:—

Friends here delighted on report of Sydney meeting. Were you satisfied?

In return a telegram was received by "Mr. Samuel Mauger," from "Mr. Alfred Deakin," in the following terms:—

Magnificent meeting; all friends declare greatest triumph protection ever gained here.

From these telegrams it will be seen that, although the Prime Minister may not have said that he thought the protectionists had captured the people of Sydney, he certainly thought that he had made a magnificent impression on the people of that State. How far that impression was justified need not be stated by me. The result of his appeal is so well known that it is unnecessary for me to make further reference to it. The view to which I have referred was held not only by the Prime Minister and the honorable member for Melbourne Ports, for we find that the leading organ of the protectionist party in Australia—the *Age*—referred to the meeting in the following terms:—

The Sydney meeting, with its tumultuous acclamations of the protectionist policy, is an evidence of the advance of a great truth against a mere sophistical falsehood.

It will therefore be no surprising thing should the mother State cast a decisive vote in favor of the Deakin policy, as Victoria is quite certain to do.

Notwithstanding the action of the protectionist party in sending their great orator to Sydney to convert the free-traders—who, from their point of view are deep down in the depths of ignorance—notwithstanding the efforts of the Protectionist Association, through the medium of the Minister for Trade and Customs and others, the result was disastrous to the present Administration. It proves one thing, if it proves nothing else—that the stand taken in this House by the Opposition in fighting the Tariff and the present Administration, is approved by the people of that State. The Prime Minister and the honorable member for Melbourne Ports may shake their heads, but I contend that if I and other members of the Opposition were not sent back as a protest against the present Administration, their Tariff, and their electoral laws, we have no right in this Chamber.

Mr. MAUGER.—The Tariff was not the issue.

Mr. FULLER.—What then was the issue?

Mr. MAUGER.—The honorable and learned member knows very well what it was.

Mr. FULLER.—I know that the Prime Minister came to Sydney and spoke of loyalty to the mother country. He had the audacity to say to his meetings in New South Wales that those who did not agree with his Tariff proposals were disloyal to the mother country. I would remind the honorable and learned member and his friends that from the day he entered the political arena, he has been engaged in putting up barriers against British manufactures. The old Victorian Tariff, higher than the present Commonwealth Tariff, was framed, not to keep out foreign manufactures, but to keep out the manufactures of the old country, which has done everything for us. When the Prime Minister was translated to the higher sphere of Federal politics, he did exactly the same thing. The Tariff, as laid upon the table by the ex-Minister for Trade and Customs, and as sought to be passed by the Ministry, was framed for no other purpose than to keep out the manufactures of the old country. In years gone by in these States British manufactures were largely imported, and the Tariff was framed and supported by the Prime Minister, in the same way as he supported the Victorian Tariff, especially in opposition to the manufacturers of the old country. He talks about the disloyalty of free-traders, and says that if they do not join with him in his preferential trade proposals—which have yet to be adopted by the people of England—they are disloyal to the Empire. Great Britain has never wanted more than the open door, to which she has been accustomed. The Tariff of New South Wales gave her that open door, and the leader of the Opposition did more for the mother country by his patriotic action in that State than has been done by the lip-loyalty of the Prime Minister and his supporters. Time after time the leader of the Opposition and his supporters denounced the Tariff as introduced by the Government as unpatriotic, and as disloyal to the mother country. We knew that it was specially designed to keep out the manufactures of the mother country. I would ask the Prime Minister whether he is prepared, in the interests of British

manufacturers, to reduce the duty on a single article. The honorable member for Melbourne Ports, as representing the Protectionist Association of Victoria, told the people during the elections that preferential trade would not reduce their protection by one iota.

Mr. MAUGER.—I beg pardon; I told them quite the opposite.

Mr. FULLER.—That is the true position of honorable members on the other side in connexion with preferential trade. The cry of fiscal peace and preferential trade is raised by them in order that they may retain the protection they have, and give local and British manufacturers the opportunity of robbing the people here by raising a wall against the foreigner. The free-traders of Australia have always been loyal to the old country. In New South Wales the free-traders have always been prepared to allow her manufactures to come in on free and equal terms, and we are prepared to do so now. The honorable member for Richmond made a speech which was more amusing than argumentative. We did not take it too seriously, but it looks a little serious in cold print. He asked—Did we believe in free-trade between sons of the Empire? I immediately interjected—"Of course we do." That is what we have been trying to bring about all our lives; but the honorable member and his friends have been trying to erect barriers within the Empire during their political existence. The honorable member who is the chief supporter of the Government in my State said that he would answer my interjection later on, but he did not: he knew perfectly well that it was true. All that has been done by the Ministry and their supporters has been to erect barriers against the British Empire from one end to the other. The British Empire has not been built up by a system of preference. It has been built up in face of hostile tariffs—in face of the hostile Tariff put up in Victoria by the leader of this Government, and the hostile Tariff put up here by the Commonwealth Government. If we were to allow British manufactures to come in on the freest and most equal terms, as we did under the Tariff of New South Wales, then, as Great Britain has always been accustomed to a revenue Tariff of her own, she would never grumble at any Tariff which we might have for purely revenue purposes. But she does object, and

rightly objects, to a Tariff which was imposed specially to injure her manufacturing interests. I was much interested in the speech of the right honorable and learned member for Adelaide. Believing that the grant of the Federal Capital to New South Wales in the Constitution was one of the principal reasons why the Federal movement was successful in that State, I heard with delight the statement of the right honorable and learned member on this question.

Mr. WILKS.—What did he say twelve months ago?

Mr. FULLER.—I do not know. All that I care about is that he is a strong supporter of New South Wales, and will firmly insist on that State being given her constitutional rights. The manner in which the Government has played with this important question has been one of the worst features in its administration. Time after time the question of selecting a site was brought forward by members of the Opposition, and time after time the work was delayed by the Minister. A Commission was appointed, which further delayed the work, and it was not until the last three weeks of the last session of the first Parliament that the matter was brought to a sort of semi-conclusion. I believe that honorable members are prepared to give New South Wales her just rights. I am not provincial enough to think that this matter ought to be settled in the interests of New South Wales; it ought to be settled in the interests of the Commonwealth. All the members of the first Parliament will remember the influence which the press of Melbourne exercised on the moulding of its legislation, and the sooner we get into our own Federal home, free from the influence of great cities, the better, in my opinion, will it be for our legislation. I was rather surprised to hear the Minister for Trade and Customs interject that the settlement of this question had been delayed by us. I feel sure that any one who looks at the records of the first Parliament will find that it was pushed forward by members of the Opposition as much as was possible. I was not surprised to hear some of the remarks of the right honorable member for Adelaide in his advocacy of protection and of the Tariff, of which he was practically the author. It is only natural that he should stick to his own child. But he was rather unfortunate in the quotation which he made from one of our leading politicians in New South Wales. I make no personal reference

to this gentleman. I have the honour and pleasure of a slight acquaintance with him, and I must say that he is rather a discredited politician in New South Wales. The right honorable and learned member quoted his figures showing the "enormous" increase of our manufactures to £25,000,000 per annum, but we know that the manufacturing interests of Australia had reached an output of £28,000,000 per annum, before the introduction of the Federal Tariff. We have been told that importers, manufacturers and the public generally are becoming accustomed to the Tariff. The importers pay down, I suppose, about £9,500,000, and pass the duties along to the consumers, and it is a very nice little operation, as far as they are concerned. We are told that now the public, instead of seeing on articles the words "raised in consequence of the Tariff," find that the articles are on the free list. I should like to ask the Minister—who put the articles on the free list? It was only after a struggle of eleven months, that the Opposition—in many instances with the help of the Labour Party—succeeded in putting 115 groups of articles on the free list, and reducing the taxation in connexion with 139 other articles. The manufacturers are becoming accustomed to the Tariff. But the statement made as to the enormous expenditure in consequence of the Tariff will not bear investigation. The gentleman to whom the right honorable and learned member for Adelaide referred—Mr. B. R. Wise—put forward a list of new works some time ago, and when it was investigated it was found that the rebuilding of Her Majesty's Theatre, which had been destroyed by fire, was included in the expenditure under the Tariff. We found that a number of buildings and factories, and various other works which had been started long before the Tariff came into existence, were also included in the list. So that all this boasted expenditure by the protectionist party in and around Sydney has been exaggerated very much. If it has given so much employment to labour—and it was only the other day that a deputation, representing, as they said, 8,000 men out of work, waited on the Acting Premier in Sydney, with the view of getting work—how is it that in the constituency of Dalley, many of the great iron industries are now only working half-time? These facts do not tend to show that the Tariff has given employment to labour, and that money is being spent under its operation, as the protectionists

would have us believe? There is one thing, however, which has resulted from the Tariff, and that is, that male employes in the factories are gradually giving place to women and children. According to the Government Labour Bureau, which is an authoritative source, last year in the metropolis of New South Wales 443 permits were given to children between the ages of 13 and 14 years—that is, under the school age, to work in factories; while in Newcastle 47 permits were given.

Mr. MAUGER.—Why is it allowed?

Mr. FULLER.—I would not allow any system of legislation, be it a Tariff or otherwise, which would make women and children earn the daily bread for the families in place of the men. Surely we have not come to such a stage in this mighty continent, with a population of only 4,000,000 persons, that it is necessary to drive our women and children into factories in order to earn the daily bread for the family. That has happened under the Commonwealth Tariff, and it is only a repetition of what happened under the Victorian Tariff. The Prime Minister, the honorable member for Melbourne Ports, and others were on a Sweating Board in Victoria, and they gave their testimony that under the Victorian Tariff in Melbourne there was going on sweating which was equal to the sweating in older parts of the world.

Mr. MAUGER.—And we wiped it out.

Mr. FULLER.—Does not the honorable member remember that that did not come into existence here until sufficient time had elapsed for the Victorian Tariff to get into full operation? Do we not know that when the right honorable member for Adelaide was advocating a particular item on the Tariff in 1901, of which he was in charge, he said—"The honorable member for Paramatta can look it up as much as he likes, but he will find that what I have said is perfectly correct—that the importations from these countries are as I have stated, and that in France Belgium, and Germany protection and cheap labour reign supreme?" During his speech the honorable member for Richmond said that in New South Wales the protectionists had been the bulwark of Federation, while the free-traders had been its strong opponents. Whatever may be said in connexion with the Constitution, however disappointed many persons may be with the outcome of the Commonwealth, as administered by the present Government, the free-trade party of New South Wales is not entitled to be told that it was the opponent of Federation, and

that the protectionist party was the bulwark of Federation in that State. I was surprised to hear the honorable member make that statement, because he must well remember that the great free-trade leader of New South Wales—Sir Henry Parkes—in 1889, with the report of Major-General Edwards in his hand, in connexion with the defences of the Australian Colonies, made at Tenterfield, the speech which galvanized the Federal movement into life. It brought about the Convention which sat in 1891 in Sydney, and which was attended by most of the leading men from the States. After that year public interest in the matter waned, and it was not until the leader of the Opposition in this House, who is very often blamed, advocated an elective Convention, that real life was put into the Federal movement. In New South Wales Sir William McMillan, the honorable and learned member for Parkes, the honorable member for North Sydney, and many others on the Opposition side of the House whom I could mention, worked hard and honestly to bring about the Federation of the Australian States. I should like the honorable member for Richmond to remember also that a large proportion of the funds which had to be found in order to fight the question in New South Wales was raised by the members of the free-trade party, and those who were associated with their political actions. However much the people may be disappointed with the outcome of Federation, the free-traders are not entitled to the stigma placed upon them by the honorable member for Richmond. Does he forget that he was on the platform of the Town Hall, Sydney, on the occasion of a presentation of plate to the leader of the Opposition, and that he made the speech of the evening? Does he forget that he told the people there that it was George Reid, and not Edmund Barton, who was entitled to the credit of bringing about Federation in Australia? I am surprised that the honorable member's memory is so short as to forget that he was the principal figure in connexion with the proceedings that night. I do not wish to detain the House any longer. I sincerely trust that, although the position of Federal politics may be dark at the present time, although I do not think there is a single man in this House, or in the country, who can see daylight through the situation, the outcome will be satisfactory. The responsibility of conducting the affairs of the country lies with

the Government. They are responsible for the position in which they find themselves. The members of the Opposition and the members of the third party are not responsible for it. It is to Ministers that the people of Australia look to place responsible government on a higher grade in future than it has occupied in the past.

Sir WILLIAM LYNE (Hume—Minister for Trade and Customs).—For many nights past we have been listening to very long speeches on every subject that it was possible to introduce within the scope allowed to honorable members in the debate on the Address in Reply. I think, with many of those who have spoken from this side of the House and from the Opposition benches, and with the honorable member for Capricornia, who spoke to-night, that little new has been said. I should not have arisen had it not been that two or three honorable members have directed attacks towards me. I hold that unless attacks of that kind are made on a Minister personally, there is no necessity for more than one or two members of the Government to reply in the course of such a debate. The House was treated to a very entertaining, though I cannot call it an instructive, speech from the honorable and learned member for Farkes last week. He is a very superior person, I should imagine, according to his remarks. He lectured us all round. He lectured the Labour Party, and he especially lectured the Government for continuing to hold their position. He said that it was not possible for them to continue to hold it unless they were supported by the Labour Party. My remarks upon this point may also apply, to some extent, to the leader of the Opposition. The right honorable member made a very dramatic speech—perhaps the most ludicrously dramatic I have heard him deliver. He said that he would not on any account be subservient to any particular party, nor would he be driven by any party, and that he had never permitted anything of the kind to be done when he was at the head of a Government. Though the right honorable member, as is usually the case, is not present, I desire to direct attention to what took place between the years 1895 and 1899, when he was in power in New South Wales. During the whole of that period there were three parties in the Legislative Assembly of that State. He was kept in office absolutely by the votes of the Labour

Party. Finally, he was deposed on the votes of the Labour Party. Yet the right honorable member managed to hold the position, and to pass some legislation—though not much—with the assistance of that Labour Party.

Mr. PAGE.—Did he not pass the land tax?

Sir WILLIAM LYNE.—Yes; it is not much of a land tax, though. I should like those honorable members who take such strong exception to a Government receiving the support of the Labour Party to ask themselves what particular State in Australia, during the last few years, has not had three parties in its Parliament, and what Government has not practically been supported, if not kept in power, by that third party? As far as I can judge, there is nothing new and nothing anomalous in the present position. There are three parties; and though there are those who say that two parties must join to wipe out the third, I venture to say that they will never succeed.

Mr. PAGE.—We have come to stay.

Sir WILLIAM LYNE.—I quite understand and believe that the third party has come to stay. Whether its strength is going to be increased or not is a question I am not prepared to answer; but if Parliament is not to be conducted and legislation is not to be enacted with three parties in the House, we had better stop attempting legislation altogether. It has been said that the Government cannot continue to carry out their programme unless they receive the support of the third party. The Government is not going on its knees to any party to get its support. As the Prime Minister has said, it is going straight forward with its policy. If it receives sufficient support from either of the parties in the House it will carry out that policy. I see no reason why we should not proceed in the way the Prime Minister has suggested. When the time comes that the Government find that they cannot proceed with the fair, honest, and straightforward support of the third party, they will know what to do. This particular question is of great moment at present, and is uppermost in the minds of a large section of the public of Australia. But I venture to think that we shall be able to go on; and, if a crisis comes, I venture to believe that the attitude of the Government will be favoured by the country. Before I deal with the criticisms of other members, I wish

to refer again to the honorable and learned member for Parkes. As I have said, he has thought fit to lecture every one. But what has been his own political history? He was the greatest failure we had in New South Wales politics. He was once Minister for Works, and he was the most extravagant Minister who ever presided over the Works Department of New South Wales.

MR. WILKS.—Did he beat the honorable gentleman?

SIR WILLIAM LYNE.—I was never an extravagant Minister, although I have been attacked by members of Parliament for what they deemed to be extravagance. But sometimes false economy is extravagance. I will give an instance from this State of Victoria. Rigid economy is said to have been enforced here during the last four or five years before Federation. But there is no State in which through supposed economy more money has had to be expended on public buildings to prevent ruin during the term of Federation than Victoria. So that economy so-called is not always true economy. It is sometimes extravagance. Those honorable members who talk about my extravagance and the economy of Victoria, should remember that what I have explained is absolutely a fact. When the honorable and learned member for Parkes presided over the Works Department of New South Wales, he increased the vote for public works from £600,000 to between £1,100,000 and £1,110,000 in two consecutive years. And this is the honorable and learned member who lectures Federal Ministers as to what they should do, what position they should take up in regard to their measures, and what should be their ideas of responsibility!

MR. JOSEPH COOK.—Was the honorable and learned member for Parkes right or wrong in raising the public works expenditure?

SIR WILLIAM LYNE.—I am not going to say in every case, but I think that in many cases he was wrong.

MR. JOSEPH COOK.—The Minister did the same, and said that he was right.

SIR WILLIAM LYNE.—When the honorable and learned member lectures others on matters of this kind, I desire to point out that the mote is in his own eye. The Federal Capital question has been referred to. I was surprised to hear the right honorable member for Adelaide speak in the tone which he adopted in

regard to that question. It is not so very long—unless I am very much mistaken—since the right honorable member, in addressing a meeting at the Town Hall, Melbourne, attacked New South Wales in regard to her anxiety to secure the Federal Capital, and said that that State was in the unenviable position of having had to be bribed by having the Federal Capital placed within her borders.

MR. JOSEPH COOK.—The right honorable member for Adelaide was in the Government then.

SIR WILLIAM LYNE.—Whether I am in a Government or not, I shall try to be consistent. I interjected the other night that, to a very large extent, the Opposition were accountable for the delay, if delay there has been, in connexion with the Federal Capital question. The first session of this Parliament was occupied almost entirely by the speeches of honorable members opposite. Scarcely any other honorable member could get a fair opportunity of speaking or even interjecting. The speeches of the Opposition occupied about eight months. One day I attempted, as Sir Henry Parkes did on one occasion, to count up the number of miles of talk that emanated from the Opposition benches during the first session. But the task was so great that I could not get to the end of it. For that reason, and as we were required by law to enact the Tariff during the first session, and also had to pass machinery Bills, it was not possible to deal with the Federal Capital question. In the second session of the Parliament we had, to a very large extent, a repetition of the tactics of the first session from the Opposition benches. On that occasion we had them beating the air, and up to the present time in this debate we have had a repetition of the Tariff speeches we are so sick of from honorable members opposite. When the time of the House is so taken up, how is it possible for any Ministry to reach the important items of the legislation they propose?

MR. CONROY.—Which are the important items?

SIR WILLIAM LYNE.—The honorable and learned member is one of the greatest offenders, and should have nothing to say on this matter. What are the facts? As early as possible every step was taken to advance the decision upon the Federal Capital site. Will it be said that we should have submitted the

question to Parliament before it had reached a fair stage for the consideration of honorable members? We were bound to obtain all the information it was possible for us to obtain in submitting to this House for determination one of the most important questions with which the Federal Parliament has to deal. Were we to act blindly without getting the information which was supplied by the Royal Commission which was appointed? That Commission produced, I venture to say, one of the ablest reports ever submitted upon a question of the kind. If honorable members will turn their attention for a moment to what took place in the United States in the early days of their union, and also to what took place in Canada in the early days of the Dominion, they will find that no report of such importance was submitted in either of those countries in connexion with the selection of their Federal Capital sites. No one has fought harder or more continuously to have this matter brought to a head than I have during the time I have been a member of this Parliament. If I had not been a member I venture to think that honorable members sitting opposite would not have brought the question to the stage in which we find it now. Everything cannot be done in an hour or in a day. It takes time to obtain all the information necessary to satisfy the hypercritical minds of honorable members opposite. Even after the report of the Commission was presented to this House, in addition to that received from Mr. Oliver, honorable members opposite accused the Government of not having obtained sufficient information to enable them to settle the question. When we found honorable members in so critical a humour was it not to be expected that the Government would take time to obtain the most minute information upon so important a question? It was only when the report of the Commission was obtained, and not until then, that the Government were in a position to submit the question to the House. Was there any time lost then? We are aware that a number of the members of this House are really in a hurry to deal with this question.

Mr. PAGE.—Who are they?

Sir WILLIAM LYNE.—I am not going to mention names; but the honorable member must know as well as I do that what I say is a fact. I do not intend in any way to suggest that those honorable members desire to deprive New South Wales of her

right in connexion with this matter. But they have not that ardent desire to get away from Melbourne that is possessed by many other honorable members who wish to see the Federal Parliament established in its own Federal home. If honorable members will consider the time taken to settle a similar question in the United States, and will call to mind the action taken, and the jealousies aroused, between the principal cities of the States before Washington was decided upon as the site of their Federal Capital, they will understand why it was found necessary there to select a place in the wilds of the forest as a Capital site. It was entirely in consequence of a trouble that is repeating itself in Australia to-day in connexion with this matter as the result of jealousies between important cities in these States.

Mr. KELLY.—Between some of the electorates.

Sir WILLIAM LYNE.—The honorable member is a young man, and is not yet sufficiently grown up to know really what these jealousies are. This is an important consideration which cannot at the present time be ignored. I would ask honorable members what happened in Canada? After fighting for eight years, with the result that the jealousies existing there had not decreased, but rather increased and become accentuated, the Dominion Parliament failed to settle the question at all, and they had to get the late Queen Victoria, through the Imperial Government, to fix a site for the Capital of the Dominion.

Mr. LONSDALE.—That was provided for in the Canadian Constitution.

Sir WILLIAM LYNE.—They could have settled the question if those in antagonism upon it could have come to terms.

Mr. JOSEPH COOK.—Is that not an example to be avoided?

Sir WILLIAM LYNE.—The right honorable member for Adelaide made an attack on me in connexion with this matter, because I happened to have charge of it. At first the right honorable member said that the question had not been furthered, and then he admitted that it has been brought up to this position now that there are two sites only to be considered. That is a very long step to have taken in the settlement of this question. If nothing completely satisfactory has been determined upon, we have yet advanced very materially from the position in which we were at the outset of our Federal career.

Mr. KELLY.—Are Ministers in agreement now as to the choice of a site?

Sir WILLIAM LYNE.—The honorable member raises another point, that Federal Ministers must be in agreement upon the question of the Federal Capital site. But no Cabinet that ever attempted to settle such a question was ever in agreement, and it is not likely that any Cabinet, as a whole, will be in agreement upon such a question. Even supposing that the Cabinet should be so, it is not likely they would try to dictate to the House what the decision of honorable members should be upon so important a question.

Mr. DUGALD THOMSON.—This House has voted upon the question, and has come to a conclusion.

Sir WILLIAM LYNE.—The last House has voted and has come to a conclusion on the question, but the Federal Parliament has not. The Government are bound to consider the possibilities in regard to the settlement of a question of this kind. There is no use in hiding the fact that if a Minister has a strong feeling in favour of any particular site he is entitled to vote for it if he thinks that any other site submitted is not as good. It would, no doubt, be very pleasing to some honorable members if they could possibly induce the Government to quarrel and to destroy themselves over this question. But Governments are not quite so simple as my young friend, the honorable member for Wentworth, may imagine. He may think that the Government will do this sort of thing without consideration, but they will do nothing of the kind. We have been twitted with the fact that we have not settled this question already during the present session. Here we are still holding our first debate, which should not have occupied more than a week, but which is strung out, by the old tactics of the Opposition, until the third week, and it may yet be until the fourth week, and can any honorable member have the temerity to suggest that when we have had no opportunity to deal with any other question, we should have brought this matter up before the present time. I have not been in consultation with my right honorable colleague, who is in charge of the matter; but he will have my support in bringing it forward for decision at as early a date as possible. We cannot do impossibilities. We must wait until the business of the House is so far advanced that it will have become possible to deal with it.

Mr. JOSEPH COOK.—It must wait upon other business.

Sir WILLIAM LYNE.—The House of Representatives last session carried a resolution approving of the selection of Tumut as the site of the Federal Capital. That was objected to, and the selection of another place approved in the Senate. When the Bill dealing with the subject came back to this Chamber, the House of Representatives restored Tumut as the site to be selected, and returned the Bill to another place. In consequence of the early termination of the session we were not then in a position to go to the extremes that could be gone to with the Senate if honorable senators were prepared to continue the fight upon the question now.

Mr. DUGALD THOMSON.—We can only secure a settlement of the question under the Constitution if the selection of a particular site is embodied in a Ministerial measure.

Sir WILLIAM LYNE.—The question may yet reach the stage when it will be possible to make the selection of a particular site take the form of a Ministerial measure. But I differ from my honorable friend if he suggests that the Government in a new Parliament should make this a Ministerial measure in consequence of a vote given in the old Parliament. In the last Parliament, when the House of Representatives decided on the selection of Tumut, and the Senate of the selection of Bombala, the Ministry stood by the decision of the House of Representatives, and that is all they could have been expected to do. If, when the matter is brought forward again, this House decides on the selection of a particular site, I have not the slightest doubt that the Ministry will take up the same position as they did on a previous occasion. I again repeat that it is not fair that honorable members opposite should attack the Government on this question, which they believe is so much thought of in New South Wales, for the purpose of detracting from the position of the Government, and in order to assist themselves in their political life. We have been told that the Opposition party is, according to numbers, the largest party in the House of Representatives. I should like to know how honorable members opposite prove that. As a matter of fact, whilst there are three parties in this House, the Government party is the largest. Honorable members opposite will have great difficulty in proving to members on this side that that is not so. I should like to direct attention

to the position which New South Wales took in the last elections as the result of the extraordinary and ludicrous action of her press and of her politicians? Honorable members opposite have said that the elections there were fought on free-trade and protection, but that was the last issue in the minds of the majority of the electors in that State. To prove what I say I have only to refer to the case of Mr. Francis Clarke, who, as a member of this House, was very much respected, and of whom we were all proud. He went to the strongest protectionist constituency in New South Wales and was defeated by a free-trader. But he was defeated not on the issue of free-trade and protection, but on the other issue so ably referred to by the leader of the Labour Party. That was the issue fought in his election, and not the issue of free-trade and protection. But what position has New South Wales placed herself in as the result of the elections? She is at the present time in antagonism practically to the whole of the rest of Australia. In placing herself in this position she has been unwise in her own interests. I for a long time occupied a prominent position in the public life of that State. The people believed in me, and were very good to me; but I say that through the action of some of her public men—supported by the misdirection of the Sydney press—instead of being, as she is, the most powerful and the wealthiest State of the Australian group, and instead of being the leader of politics in federated Australia, she has placed herself on the lowest rung of the ladder in dealing with all public questions in this Federal Parliament. The whole or nearly the whole of the Opposition come from New South Wales, and they have got themselves into such an awful fix that they want the Government to help them by forming a coalition. The people of New South Wales will live to know that they have been misled by their public men and their leading press; it is certain that the lesson taught during the last election will not be lost. No person more strongly than myself opposed, not Federation, but the Constitution Bill submitted to the people, because I conscientiously believed it provided machinery that would work extravagantly and not in the best interests of Australia. I was not afraid to stake my political reputation and life on the action I then took. However, we are

here now, not as State, but as Federal politicians. All these whisperings about retreating or retiring from Federation are so many idle words, and it is time that New South Wales realized her true position—that she should meet the other States in a Federal spirit, and not as one State try to dictate a policy for the whole of Australia. All efforts at such dictation will fail as sure as New South Wales is the most powerful State, and as sure as she returns members to this Parliament absolutely antagonistic to nine-tenths, or at any rate three-fourths, of the representatives of Australia as she did at the last general elections. What I am saying may not be very palatable to honorable members opposite; no doubt I am telling them some straight home truths which they do not like. It will not be with my consent that anything will be done to get honorable members opposite out of the *cul de sac* into which they have landed themselves.

Mr. WILKS.—Why did the honorable member not talk like this last week?

Mr. SPEAKER.—I must ask honorable members on the Opposition side of the House to refrain from such frequent interjections. It is with the utmost difficulty that the Minister can proceed with his speech.

Mr. WILKS.—Why did not the Minister make these remarks last week?

Mr. SPEAKER.—I must ask the honorable member for Dalley to refrain from breaking the Standing Orders. The honorable member knows what the Standing Orders require, and I ask him not to interject at a time when the Speaker is addressing the House.

Mr. WILKS.—I apologize to you, Mr. Speaker; but the Minister for Trade and Customs is very provoking.

Sir WILLIAM LYNE.—I am sorry; but home truths are usually provoking. While I speak earnestly I want to speak in good spirit. In most of the speeches on the Address in Reply honorable members have attempted, not to deal with large, broad questions, but to indulge in personalities regarding people not here to defend themselves. The leader of the Opposition made what appears to my mind to be an unwarrantable attack on Mr. Lewis, an attack in which he has been supported by the honorable member for Macquarrie.

Mr. SYDNEY SMITH.—I can bring evidence to prove my statements.

Sir WILLIAM LYNE.—And so can I bring evidence to prove the truth of what I say. The honorable member for Macquarie has backed up the leader of the Opposition in an attack on a public servant, who is one of the best men for his position in Australia. If this matter be more prominently brought before the House for discussion it will be proved that a great many of the little troubles complained of during the elections have been caused by attempts to undermine the position of this public servant—that there are those who, influenced by certain persons not far from this Chamber, have endeavoured to undermine what the Electoral Officer was doing. What is the position of that officer, and what has he done? He had to perform a gigantic task, the greatest task that ever fell to the lot of an electoral officer in the Southern Hemisphere. He had to bring into line the electoral rolls, and apply the electoral machinery over an area extending from the south of Tasmania to the north of Queensland, and from the east of New South Wales to the coast of Western Australia. I was the political chief of this officer for a considerable time; but the man, personally, is to me of no concern. My belief is that he is a man who endeavours to do his duty well, and even if there have been shortcomings, he should be protected from unwarrantable attacks. Though this gentleman is not without his faults, he has, as I say, worked well, and the wonder is that, under the circumstances, there were not more mistakes. I wish to draw special attention to the fact that the apathy of the public of Australia is such that it is impossible to induce them to see that their names are placed on the rolls. When I was at the head of the Department I had notices posted at every post-office and other public places throughout Australia; and, further, intimations were given through all important sections of the press begging the electors to perform their duty. When it was found that electors would not respond to these appeals, the police and others engaged in the electoral work went from house to house; but even then in some cases those who were entitled to the franchise refused to give their names. Under such circumstances it was very difficult to prepare complete electoral rolls, and it is not surprising that numbers were disfranchised.

Sir JOHN FORREST.—At any rate, nearly 2,000,000 names were placed on the rolls.

Sir WILLIAM LYNE.—That was only after a great deal of trouble. I am glad to know that the right honorable member who holds the position I formerly occupied, entertains the same opinion as myself of the head of the electoral branch. The fact that two of us, after experience, hold that opinion, and strongly favour him, should count for much. In any case, I would refuse to allow this man, who has done his duty, to be maligned. Those who make the misstatements concerning him, must know that they are uttering what are not facts. It was said by the leader of the Opposition that Mr. Lewis was discharged—I do not think the word “dismissed” was used—from his position in the New South Wales Public Service.

Mr. LONSDALE.—The word was “retired.”

Sir WILLIAM LYNE.—I will take it that the leader of the Opposition said that Mr. Lewis was retired from the New South Wales Public Service about 1882 or 1883 for incompetence. At that time the business of the Public Reserves Branch of the Lands Department was all transacted at the central office in Sydney, under the direction of Mr. Lewis. I may say that I was one of the public men who agitated to have the business distributed in the various districts under district surveyors, with a view to enabling those who desired to take up land to obtain information at places as near to their homes as possible. As a result of the agitation the central branch was disbanded—that was the retirement spoken of by the leader of the Opposition. Not one word was at that time said against Mr. Lewis' competency, or the method in which he carried out his duty; and the day he left office he was given an improved, but temporary, position at £600 per annum by Sir Henry Parkes, who had had opportunities of observing Mr. Lewis, and who certainly would not appoint an incompetent man to any post. Mr. Lewis occupied that position until Sir George Dibbs came into office, when a permanent post was found for him in the Electoral Department of the State. Despite anything that may be said, Mr. Lewis' work was well carried out. It is true that he may perhaps have had a few clerks more than the work required; but, however that may be, I think most honorable members will say that during the Federal elections Mr. Lewis was, if anything, too economical. It might

have been better if he had spent £5,000 or £10,000 more in employing assistance.

Mr. BATCHELOR.—There would then have been more contradictory instructions than ever.

Sir WILLIAM LYNE.—I do not think so; and I am sure that if the honorable member for Boothby knew Mr. Lewis a little better he would not say a word against him. Mr. Lewis continued to hold the position given to him by Sir George Dibbs until 1895 or 1896, when the leader of the Opposition came into power as Premier of New South Wales. Mr. Lewis had evidently done something to offend the right honorable gentleman, who gave an instruction, which he ought never to have given, to the new Public Service Commissioners, namely, an instruction to reduce the salaries of the Public Service by £300,000 per annum. In consequence the Public Service Commissioners, before they had matured their work of classification and reduction, or before they knew the conditions of the Public Service, carried out an indiscriminate hewing and carving of the salaries, and the mischief done had to be partially rectified afterwards; but the result was a demoralization of the service.

Mr. JOSEPH COOK.—That is a monstrous thing for the Minister to say.

Sir WILLIAM LYNE.—The after action of the Public Service Commissioners was an acknowledgement that their work had been too hurriedly done. Simultaneously with this improper and extreme reduction of salaries, Mr. Lewis, at the instigation of some influence, was swept out of the Electoral branch. That is his history; and when I was charged with the conduct of the first Federal election, I looked around for an electoral officer who had had experience in electoral matters in New South Wales, and who, under Mr. Critchett Walker, the Principal Under-Secretary, would be able to successfully undertake the work. Previous to that I had appointed three Commissioners, one of whom was, I think, Mr. Lewis, and another Judge Murray, to map out the electorates; and I knew none better able than Mr. Lewis, who has been so much maligned, to perform the duties of Electoral Officer.

Mr. WILKS.—The High Court, which is not a political institution, has condemned Mr. Lewis.

Sir WILLIAM LYNE.—Under Mr. Critchett Walker, Mr. Lewis carried out his work with honour and credit to himself and

all concerned. When the Electoral Bill had to be prepared and carried through the Federal Parliament, no man could have worked harder or more conscientiously than Mr. Lewis in endeavouring to frame a measure on those liberal lines which a large majority of honorable members so strongly approved. Mr. Lewis is entitled to a pension of, I think, £380 a year, and his present temporary employment only involves a payment to him by the Commonwealth of £300 per annum, the balance being paid by the Government of New South Wales in the form of the pension I have mentioned. It will be seen that we have the services of a most capable man at a very economical salary. As to the remarks of the Chief Justice of the High Court, he was dealing with a question of technical law; and there are eminent lawyers who are of opinion that the High Court made a mistake in not quite recognising what the intention was regarding their discretionary power. As honorable members know, there are two forms provided for in the schedule to the Electoral Act, one of which is the form "L" for postal voting. When the Bill was before the House I was urged to adopt the South Australian system, and allow the application under this form to be witnessed by any householder, while the right honorable member for Adelaide suggested that the form might be used without the necessity for calling in any witness. This particular form was looked upon as unimportant. There is no reference in the body of the Act as to who should witness the signature, and this form was prescribed merely to give a direction, or an idea, on the point, the foot note only being the direction. Then comes the other question, the witnessing of postal ballot-papers, which is the important matter. In the section of the Electoral Act which provides for that, power is given to the Executive to appoint, by proclamation, any one in the Public Service, to witness and accept postal voting notes. The great sin committed by the Chief Electoral Officer was that he believed that the proclamation which was issued covered the two matters. Of course, we have to abide by the decision of the High Court, but there is grave doubt, even now, as to whether it did not make a mistake. When the Senate struck out the clauses of the Bill which provided for the trying of election petitions by Committees of Elections and Qualifications, and substituted for the Committee the Court of Disputed Returns, the

then Prime Minister and the then Attorney-General submitted to me a clause, which is now section 199 of the Act, to give to the Court the power which has always been possessed by Committees of Elections and Qualifications, to put aside technicalities and to deal with the plain facts of the cases coming before them. The section of the Act to which I have referred reads as follows:—

The Court shall be guided by the substantial merits and good conscience of each case, without regard to legal forms or technicalities, or whether the evidence before it is in accordance with the law of evidence or not.

I believed at the time that that provision gave the Court the power which I thought it should have, but the High Court has decided that it does not. I am bound to say that the honorable member for Darling Downs is the only person who advised me that the provision did not do what I wanted done, and would create trouble.

Mr. GROOM.—I told the honorable gentleman that the bribery provisions were ineffective.

Sir WILLIAM LYNE.—In spite of the remarks of the Chief Justice of the High Court, there is not much fault to be found with the action of the Chief Electoral Officer. Considering what a responsible position he was in, and how he was pestered with requests for information regarding a new condition of things from all parts of Australia, it is to be wondered that he did not make greater and graver mistakes than were made. However, I shall not say more on the subject now. I have done my best to defend an absent man, and I shall be always ready to adopt a similar line of action, whether the person attacked be friend or foe. It was beneath one occupying the high position in public life which belongs to the leader of the Opposition to make so despicable an attack upon the Chief Electoral Officer. This is not the first, but the third, occasion upon which he has attacked that officer. It seems to me that if once a public servant offends the right honorable member he is ready to hound him to the death. But it is the duty of Ministers to protect public servants from these attacks.

Mr. WILKS.—Will the honorable gentleman support a motion for the appointment of a Select Committee to inquire into these charges?

Sir WILLIAM LYNE.—Yes, if definite charges of a serious character are made. But I shall not vote for the appointment of a committee to make a fishing inquiry. I

do not think that any statement has been made up to the present time, which warrants an investigation.

Mr. WILKS.—The statement of the Chief Justice of the High Court was strong enough.

Sir WILLIAM LYNE.—That was merely the statement of a technical opinion. I shall always be willing, when a definite and distinct charge is made against a public servant, to order an inquiry; but the public servants must be protected against mere vapouring when no grave offences are distinctly charged. To come to another matter, I was during the late elections subjected to the most vile abuse, and an attempt was made to affix upon me the stigma of having tried to gerrymander the electoral divisions of New South Wales. In defence of what I did last session, I shall quote the figures which I gave to the House then, and the actual figures which have been obtained since, and will show that it was in the interests of the public that the old divisions stood. The object of the Opposition was to deprive the people of the country of a representative, because they know that their strength lies in the city. As a matter of fact, however, the power and the wealth of the States is due to the exertions of the people in the country districts. A similar attempt was made to deprive the country districts of Victoria of a representative, but to the credit of the people and the press of this State it must be mentioned that there was not a murmur against the action of the Government in opposing that attempt. Dealing with the subject on the 3rd September last, when the Electoral Divisions Bill was before the House, I said, in a speech reported on pages 4609 and 4610 of vol. XVI. of *Hansard*—

I shall show the number of electors that would be in these districts, and I can assure honorable members that they are increasing to such an extent that by the time the Revision Court is held there will be little difference between the numbers contemplated under the new distribution and those in the present divisions. In the Darling electorate honorable members opposite were prepared to accept 18,386 electors; to-day the number of electors stands at 15,000. Each day this number is increasing, and there will be little to cavil at when the final returns are received. It has been repeatedly stated that there are only 12,139 electors in the Darling electorate, but I can assure honorable members that, according to the returns, which are still incomplete, there are 15,000 electors in that division. In Riverina, under the proposal which honorable members opposite were prepared to accept, there would be 18,862, whereas there are in the division we propose to retain, 19,234 electors. Under the scheme

proposed by the Electoral Commissioner, which members of the Opposition were prepared to accept, the Barrier division was completely wiped out, and, therefore, I cannot make any comparison. The Barrier, which was the electorate eliminated by the Commissioner in order to give an additional representative to the voters in the city, will contain, I am informed 18,177 electors. In these electorates some further figures than we had before have been obtained, whilst all the others in the list are not new, but the ones I have given before were based on the previous collection in New South Wales. It still stands as a country electorate, and the country voters have not been robbed of one of the representatives to which they are justly entitled. I intend to publish these figures, together with a number of other returns, through the length and breadth of Australia.

The most recent figures obtainable show that I was very nearly correct in my anticipations.

Mr. WILKS.—Is the honorable member referring to figures relating to the elections?

Sir WILLIAM LYNE.—To figures which have been laid upon the table and made public, showing the actual number of electors in the various divisions. I referred to the number of electors in the Darling electorate, who, it was then stated, numbered only 12,139. The Riverina then contained 14,920 electors, while in the Barrier division, which was eliminated by the Commissioner, there were 15,173 electors. Now there stands, according to the latest return laid on the table, at Barrier, 19,277; Darling, 15,268; and Riverina, 18,163. The Government did their duty to the country districts of New South Wales and Victoria in refusing to allow the recommendations of the Commissioners to be adopted, and the members of the Opposition are vicious because their deliberate and determined attempt to rob the country districts of each State of a representative has failed.

Mr. SYDNEY SMITH.—The Opposition won four seats in New South Wales from the Government.

Sir WILLIAM LYNE.—They won seats upon the issue which the leader of the Opposition described so vividly the other night. Thank heaven that issue is not such a live and rampant thing in the reasonable States of the Commonwealth as it has been in New South Wales under free-trade. I do not wish to enter upon a discussion of the fiscal question, but as honorable members have blamed the Government for attempting to reopen that question. I would point out that it was clearly understood when the Tariff was under discussion that certain action would be taken under Part 6A, and in proposing to

introduce a Bill to provide for the granting of bounties for the production of iron we are not raising the fiscal question. The Government, in introducing that Bill, is dealing with a matter with which the States cannot deal, and which must be dealt with by the Commonwealth. There is nothing, however, in our action contradictory to the statement of the Prime Minister that he went to the country pledged to fiscal peace and preferential trade. A great deal has been said about the lowering or raising of duties to provide for preferential trade. We have not yet arrived at a stage when definite proposals can be submitted.

Mr. DUGALD THOMSON.—Then the Government have not gone very far.

Sir WILLIAM LYNE.—No true Australian will be opposed to the taking of measures for enabling the Colonies and the States of the Empire by any means in their power to supply the people of Great Britain with food-stuffs. At present Australia is in the humiliating position of being able to supply to the mother country only about 5 per cent. of the food consumed by the 45,000,000 or 46,000,000 people there.

Mr. PAGE.—That is the fault of the protectionists.

Sir WILLIAM LYNE.—That is the fault of the free-traders in New South Wales, who share the sentiment expressed by the honorable and learned member for Parkes, in the course of his speech during this debate, namely—“We must forget Australian interests in the interest of the Empire.” I shall never forget Australian interests, and if the honorable and learned member for Parkes is sufficiently a foreign trader to forget those amongst whom he is living, and to decline to give them an opportunity to produce enough food to supply the requirements of those of our own flesh and blood, at the other end of the world, neither he nor any of those associated with him are true-hearted Australians. The Government desire—and I have no doubt their desire will be carried into effect—to force this question on to such a degree, that something practical may result. It is all very well for honorable members to ask what we are going to do, whether we are going to concede 12 per cent., 10 per cent., or 5 per cent. They must not forget that an important change in the policy of the mother country cannot be brought about at railway speed, but that full time must be given for consideration. I believe, however, that the

principle of preferential trade has taken hold of the people of Australia, and that, when the proper time arrives, they will take care that the Government does its duty.

Mr. SYDNEY SMITH.—The Minister is not game to test the question in this House.

Sir WILLIAM LYNE.—I am so accustomed to the honorable member, who says nice things in a nasty way, that I do not heed him. No one in New South Wales ever took him seriously, and I do not propose to do so now. I wish to say one word in reference to the effect of preferential trade in Canada. In 1897, the year before preferential trade was adopted, the imports of apparel and haberdashery from the mother country into Canada had decreased to £360,228 in value. In 1902, under the preferential trade system, the imports under this head increased to £528,387. Cotton goods, which had represented a value of £727,170 in 1897, increased in four years to £1,309,904. I am giving honorable members practical results, and not vapouring theories, such as honorable members of the Opposition side have indulged in. The value of piece goods, jute manufactures, imported into Canada increased from £124,499 in 1897 to £183,397 in 1902. Linens increased in value from £192,625 to £298,130. Machinery and mill work increased from £61,378 to £134,943. Metals, wrought and unwrought, from £624,925 to £1,993,438; spirits from £114,183 to £216,709. I do not know that the last-mentioned increase was a good thing for Canada. The imports of telegraph wire and apparatus rose in value from £49,824 to £832,735; and woollen and worsted goods from £1,083,918 to £1,821,574. These figures are absolutely correct. They were compiled in the Customs Department, and I am sure honorable members will not say that they are "faked," because I had nothing to do with them, except to give the instructions for their compilation. The honorable and learned member for Illawarra was, I think, ungenerous in his references to my action in regard to the extension of the franchise to women. I do not wish to take undue credit to myself in regard to that matter. When, however, I took up the question in New South Wales, I did what the free-traders never attempted to do. I brought in a Bill, and carried it through the House of Assembly, the measure being defeated by only three votes in the Legislative Council. I afterwards left the State Parliament, and joined

my colleagues in the Federal Government, and I think that they will admit that I stood firm upon this principle, until it was embodied in our laws. Some honorable members say, "I am in favour of this, or that, or the other," but they never do anything. It requires something more than professions of good intent to effect important reforms. The honorable member for Capricornia said that he was not satisfied with the way in which the question of old-age pensions was referred to in the Governor-General's Speech. In regard to that matter, I may mention that when I was in the Parliament of New South Wales I carried through a measure dealing with old-age pensions. I rejoice to say that, in regard to this and other democratic measures, I had the assistance of the Labour Party, and that success was achieved in spite of the opposition of many honorable members who are now doing their best to discredit the Government. The question of old-age pensions is one of great difficulty, in consequence of the Braddon section in the Constitution. I cannot at present say how the difficulty will be obviated. No doubt there is a way out of it, and so far as I am concerned, I shall go with my colleagues to almost any length in order to carry into effect a humane provision such as that referred to.

Mr. SYDNEY SMITH.—The Minister said that three years ago.

Sir WILLIAM LYNE.—The honorable member for Macquarie and the honorable and learned member for Illawarra made somewhat nasty references to the question of the fodder duties. They flapped their wings, and patted their breasts, and generally plumed themselves upon the fact that the attitude of the Ministry in regard to this matter was one of the influences which operated to bring about the defeat of several supporters of the Government. I happen to be sitting here as the representative of the largest farming district in Australia. The produce grown in my electorate during this last season exceeded that of any electorate in Australia. Although I was opposed by the Sydney morning newspapers, and was subjected to the most bitter sectarian hostility, and although the leader of the Opposition, Sir William McMillan, the honorable and learned member for Parkes, and Senator Gould all scoured my electorate, and a special edition of the *Daily Telegraph* was distributed to every elector in the division, I gave the free-trade party the biggest smacking they ever

bad. There is the answer to the statements that the Government supporters failed to secure election because of the action of the Government in regard to the fodder duties. The remission of the fodder duties would have conferred no advantage upon the farmers, because the duties were a mere bagatelle compared with the reduction in railway rates conceded by the States Governments. In New South Wales, the fodder duties did not represent more than one-twentieth part of the concession made by the railway authorities, and if we had removed the fodder duties the chances are that such extreme reductions of freight probably would not have been granted. Therefore, we did no harm, but rather good, to the owners of stock. It is admitted to-day that in certain parts of Australia, in Victoria, South Australia, Tasmania, and possibly in other States, an opportunity that otherwise would not have been open to them, was afforded to farmers to dispose of their surplus produce. It would have rejoiced the hearts of the free-traders if we had opened our ports to the produce of cheap black labour in India and America, instead of giving our own farmers an opportunity to dispose of their surplus. In my own electorate, which returned me by such a bumping majority, the farmers had to buy fodder at high rates, but they did not blame me or the Government. They held the view that we had done right, and had proved our stability by standing to the policy in which we believed, in spite of the loud tongued attacks of the Opposition. The Government do not propose to raise the fiscal issue, but I intend to maintain my principles. At the same time, I shall adhere to the statement of the Prime Minister, that fiscal peace is to be preserved. That utterance is in no way affected by the proposals to be submitted for granting bounties to farmers and others. I have devoted my attention almost entirely to repelling the attacks made upon the Government and upon me personally, and I hope that I have convinced honorable members that there is nothing in all the talk which has been indulged in by way of adverse criticism of the Government.

Sir LANGDON BONYTHON (Barker).—When I listened to the speech, as read by the Governor-General, I must say that I was impressed by the extent of ground which it covered, and, although I may not be able to indorse the remark of the leader of the Opposition that there is work enough

in it to last for all eternity, I am convinced that it is a programme in the carrying out of which we shall all do well to pray for the Divine guidance to which reference is very properly made in the closing paragraph. I have been much interested in the debate, especially in the speeches made by the new members. There can be no doubt that in political knowledge and speaking power they will prove an acquisition to this Chamber; but, at the same time, one cannot but regret the absence from both sides of the House of old members who in the first Parliament of the Commonwealth, won our respect and cordial good-will. It was my intention to have spoken earlier in the debate, and to have dealt with the various matters referred to in the speech at some length, but as it is desired, seeing that the debate has run into the third week, to close it as soon as possible, I shall only touch on three or four topics, and my references shall be brief. Really nothing more is necessary, as the matters will come up later on for full discussion. From the Imperial stand-point, one of the most important subjects referred to in the speech is that of preferential trade. I am with the Government in regard to that matter. I firmly believe that an arrangement may be made which will be advantageous both to the old country and to Australia. The arrangement which I favour is a business arrangement—not an arrangement based entirely on sentiment. We should be prepared to treat Great Britain generously, but at the same time we should expect similar treatment from Great Britain. I am not at all sure that I should be disposed to vote for any reduction in the present duties. I may vote in that way in some special cases; I do not know, and I am not prepared to commit myself.

Mr. WILKS.—That is a silent sort of preference.

Sir LANGDON BONYTHON.—As honorable members are aware, our average duty upon imports from Great Britain is only about 7 per cent.

Mr. LONSDALE.—Sixteen per cent.

Sir LANGDON BONYTHON.—I repeat that our average duty upon imports from Great Britain is not more than 7 per cent. There is no margin there, especially as we must have revenue. The average duty in Canada, after making reductions in favour of Great Britain, is 16 per cent., and I notice that the Canadian Government have announced that they intend

to do no more in the way of reducing duties. The trade between Australia and foreign countries has been rapidly growing. In 1901 the total imports into the Commonwealth from the United Kingdom were valued at £25,237,032, as compared with £26,453,841 in 1891. In this latter year the value of foreign imports was £6,927,941; but in ten years the value of these imports had risen to £12,412,336.

Mr. LONSDALE.—Will the honorable member be good enough to give the House the figures relating to the imports from British possessions?

Sir LANGDON BONYTHON.—I am not prepared to do that.

Mr. LONSDALE.—The honorable member omits them because they do not suit his argument.

Sir LANGDON BONYTHON.—Not at all. The figures which I have quoted prove that a preferential tariff may mean much to Great Britain, as illustrated in the case of Canada. I am sorry to see, by cablegrams published last week, that the British Government do not propose to touch the tariff question until after the next elections, and that there is no certainty of these elections taking place in the near future. I shall support the Conciliation and Arbitration Bill. It may provide for legislation which is to some extent experimental; but I am quite willing to make the experiment in the interests of industrial peace. Anything is better than strikes and lock-outs, which are so often such terrible calamities, causing suffering and disaster to innocent women and children, and also to people who are the victims of circumstances which have arisen entirely apart from themselves. But, as I did last session, I shall oppose the amendment, which, I understand, it is intended to propose, providing for the inclusion in the operation of the measure of members of the State civil services and railway employes. Conceding that this Parliament has the power to insert such a clause would it be a wise proceeding? If the Federal Parliament wished to create friction between the Commonwealth and the States, I do not think it could do anything which would be more effective in producing that result. But I do not intend to elaborate this point. The case has been remarkably well stated by several honorable members; and I quite agree with one honorable member who said that even the honorable member

for Adelaide—and I know something of that honorable gentleman—would, as Premier of a State strenuously protest against such a provision as an encroachment on State rights. I am entirely for the principle of arbitration, but in this case I really think the Labour Party will be wise to make haste slowly. I am as enthusiastic as ever I was on the subject of a White Australia. I am convinced that Australia must be kept white in the interests of future generations, and for the well-being of the Commonwealth. But I am not sure that this Parliament is wise, as a matter of expediency, in insisting on the exclusive employment of white labour on our mail steamers. Still, I have no intention of changing my attitude. In this matter I thought my friend the honorable member for Gippsland, who is usually so scrupulously just, was unfair. He spoke as if Australia were attempting to dictate to Great Britain as to how the merchant marine should be manned. Nothing of the kind. All that Australia does is to announce that she will not pay mail subsidy to steamers which employ black labour. This may not be good policy, but there is nothing unreasonable about it, especially if Germany insist on vessels having the same relation to the Fatherland being manned by Germans. I am entirely in agreement with the Prime Minister in regard to the Chinese in South Africa. The recent war was an Empire matter, in which Australia played no unimportant part, and that fact gives her the right not to protest or dictate possibly, but certainly to express an opinion. Was the war in South Africa waged in order that the country might be occupied by Chinese? Is the labour trouble really as serious as represented? Admitting that there is no exaggeration, may not too big a price be paid for the development of the mines on the Rand? To me this matter presents aspects of great importance. I sometimes think that it contains elements which may threaten dismemberment of the Empire. I am sure the House will forgive me if I read two or three sentences from a letter just received from London. The writer is a well-known man—not a Little Englander, but an enthusiastic Imperialist. This is what he says:—

The question as to the Chinese in South Africa is a nice comment on the adjuration to learn to think Imperially. Soon everybody will be cursing the war, and Australians will feel foolish when they awaken to the fact that the introduction of coloured races into the Northern Territory has

been brought within measurable distance. I quite expect to see a capitalistic agitation for this to arise soon.

Is there no justification for the alarm expressed in the sentences which I have read? I think that there is, and there are many who will agree with me. There is one clause in the Governor-General's Speech to which some honorable members have taken exception. I refer to that which declares it to be the intention of the Government to introduce an Inter-State Commission Bill. Honorable members have taken exception to this proposal upon the ground that it means adding to the expenses of the Federation. Personally, I would be one of the last to desire to pile up those expenses. They are already heavy enough. Nevertheless, I say—and I do so emphatically—that such a tribunal as is contemplated by the Commonwealth Act, let it be constituted as cheaply as may be, ought to be brought into existence so as to regulate railway rates, wharfage dues, and similar matters, in order that the Federation of Australia may be a Federation in fact as well as in name. There is one clause in the speech in which can very clearly be seen the hand of the Minister for Home Affairs. I refer to the clause in which the Government promise to introduce a Bill providing for the survey of a railway to connect Western Australia with the eastern States. Well, South Australia will not oppose the survey, nor will it offer any obstacles to the construction of that railway—

Sir JOHN FORREST.—Hear, hear.

Sir LANGDON BONYTHON.—When there is satisfactory evidence that it will be a fairly profitable undertaking.

Sir JOHN FORREST.—Hear, hear. That is a good ground to take.

Sir LANGDON BONYTHON.—It is just as well to act with caution, especially as Australia is already carrying a sufficient burden of debt. This reference to the indebtedness of Australia reminds me of our relations with England. I think it a great pity that some temporary arrangement was not made for the representation of the Commonwealth in London pending the appointment of a High Commissioner. It is within the knowledge of many honorable members that an arrangement might have been made which would have been greatly to the advantage of the Commonwealth. As it is, I am afraid that Australia has suffered seriously through having no one in England who could, with authority, correct the misrepresentations which have been so prevalent and so

persistent. We all deplore with the Government the fact that the population of the Commonwealth is not increasing as rapidly, as it should do, but unfortunately it is much easier to do this than to suggest the means by which a better state of things may be brought about. In this connexion it should not be forgotten that for many years the Dominion of Canada was in much the same condition. With the return of more prosperous times Australia may offer greater attractions. Wonderful things are contemplated in Egypt as the result of comprehensive schemes of irrigation. Would it not be possible to do equally great things for Australia by locking the waters of the Murray and Murrumbidgee, and possibly those of the Darling? Much may be done by advertisement, but there is no advertisement so effective as a prosperous community. Give us prosperity, and we shall soon draw to these shores people of the best type from every part of the world.

Mr. GROOM (Darling Downs).—In discussing the Governor-General's Speech honorable members have given expression to their opinions on the result of the recent elections, and although I have no desire to raise contentious issues, I think I may say that, so far as Queensland is concerned, the electors have spoken clearly on two points. Queensland has shown most emphatically that she supports the decision of the first Parliament of Australia, that the citizens of the Commonwealth shall be people of European extraction. In that respect her people have spoken with no uncertain sound. They have also emphasized the attitude taken up by this House in dealing with the sugar question—a question which incidentally arises out of the policy of a White Australia. Recent experience has clearly proved that the view which the House expressed on that question is the right one—the view that it is possible by a system of duties and bounties to gradually bring about the breaking up of large estates, and the settlement of a farming population on the sugar-growing lands who will be able to grow sugar-cane by the aid of white labour alone. Experience has proved that fact most exclusively, and it is now admitted by many who were at one time of opinion that it would be utterly impossible to grow sugar cane by white labour. We were asked, when the matter was under discussion in this House, whether we could point to any case in which the work was

being successfully performed by means of only white labour; and those who have travelled in the northern parts of Queensland can refer to many such instances. So far as this Parliament is concerned, these are issues of the past; but they need on the part of the House a continuance of sympathetic treatment to show that the policy of a White Australia is a wise and right one. Another question which has been definitely settled, so far as Queensland is concerned, is that there shall be no alteration of the Tariff. The remark was made by the leader of the Opposition that the Tariff question was emphatically settled in so far as it related to this Parliament. The honorable member for Bourke was present when the right honorable member made the statement in Melbourne that he was going to have that issue settled once and for all.

Mr. MAUGER.—He made that statement publicly.

Mr. GROOM.—Yes.

Mr. DEAKIN.—And said that he would accept the verdict of the people.

Mr. GROOM.—Quite so. He then spoke apparently as the leader of his party. The issue was definitely taken up by the honorable member for Bourke, who was present when the statement was made, and also by the press, and I believe that the whole of Australia regarded the issue as being whether the Tariff was to remain settled at least during the bookkeeping period.

Mr. WILKS.—The leader of the Opposition was referring to a referendum.

Mr. GROOM.—He was asking for the decision of the people, and he has obtained a decision which is clear beyond all doubt.

Mr. JOSEPH COOK.—The position is very clear in New South Wales.

Mr. GROOM.—New South Wales is a very important part of the Commonwealth, but when we have to determine national issues we must look at what has been the decision of all the States in order to gain the national opinion. In every State of the union, with the exception of New South Wales, the people have decided to rest for some time on the present Tariff. We do not want our industry and our labour unsettled, and above all, we do not desire that the six States Treasurers shall be continually called upon to re-adjust their finances, owing to tariff alterations. They say, "Above all things give us certainty."

Mr. WILKS.—"Give us peace."

Mr. GROOM.—No; they ask for certainty. Alterations mean that every time

a State Treasurer desires to prepare a statement of Estimates, the Public Service and the whole of his State machinery must be readjusted, or else he must have a complete revision of his system of taxation.

Mr. McDONALD.—Has he no certainty when he knows that the Commonwealth must return to him three-fourths of the Customs revenue collected in his State?

Mr. GROOM.—He knows at present that whilst we have a Tariff with certain fixed duties, he has some degree of certainty, allowing for the ordinary law of averages, as to what his returns will be. But if we were going to have a complete alteration of our Tariff every few years, we should have continual friction between this Parliament and the Parliaments of the States; we should have one Parliament raising the revenue, and giving to other Parliaments varying amounts. Each fluctuation would give rise to discontent between the different parts of the Federation. But I think that the people have declared that it is desirable that, until the book-keeping period has closed, we should adhere to the existing Tariff.

Mr. LONSDALE.—New South Wales has not spoken in that way.

Mr. GROOM.—New South Wales must not dominate the whole of the Commonwealth. It is a very important part of the Federation, and is, of course, entitled to express its opinion; but the leader of the New South Wales party called upon the people of Australia to give expression to their opinion on the Tariff issue.

Mr. LONSDALE.—The right honorable member did not put the matter in that way; he sought a referendum, but the Government would not agree to his proposal.

Mr. GROOM.—The honorable member was not in Victoria at the time. He was then engaged in canvassing, very properly, for the seat he now occupies.

Mr. MCCAY.—But the honorable member knows all about it.

Mr. GROOM.—If he does not, I am putting the facts before him for his information. If he questions representatives of Victoria sitting on the Opposition side of the House—if he questions the honorable member for Parramatta—he will learn that the statement to which I have referred was made in Melbourne by the leader of the Opposition.

Mr. JOSEPH COOK.—The Melbourne influence had temporarily taken possession of the right honorable member.

Mr. GROOM.—If he remains here much longer, he may possibly become a protectionist. It is clear, from his own statement, which, apparently, is not accepted by some of his followers, that so far as this Parliament is concerned, he considers that the Tariff issue is dead.

Mr. McDONALD.—The leader of the Opposition made that statement on the floor of this House.

Mr. GROOM.—Exactly.

Mr. LONSDALE.—He spoke of “an armed truce.”

Mr. GROOM.—He admitted that practically, in so far as it related to this Parliament, the matter was dead. When certain issues have been disposed of, no doubt my honorable friends of the Opposition will be found sharing the same opinion. Other issues of more or less importance were raised. We know that each State has its own particular grievances. In Queensland questions were raised during the election campaign which we should voice here, one of them being a matter in regard to which the people of that State think they are entitled to equality of treatment. I refer to the mail contracts. The Prime Minister visited Queensland, and referred to the question in no uncertain terms. He declared that if the Government, having a fair regard to the consideration of cost, could see their way clear, they would be quite prepared to extend the mail service to Brisbane, provided that a tender of that kind were received. I believe that I am correctly stating the views expressed by the Prime Minister.

Mr. DEAKIN.—In a condensed form.

Mr. McDONALD.—The Government were very “wishy-washy” over it.

Mr. GROOM.—I believe, further, that if such a tender had been received the Prime Minister would have acted up to his promise, as he always does. We felt that we were entitled to have Brisbane included as a port of call for our ocean-mail steamers. Under the existing contracts Sydney and Melbourne had had that right conserved to them, but in the new conditions of contract particular prominence was given to the question of cold storage, and all that we contended was that, seeing that those conditions related to cold storage for Australian produce, Queensland, who has to contribute to the cost of the service, was justified in making a demand to participate in its benefits. We did so, and do not ask for any special consideration.

Mr. JOSEPH COOK.—No contracts have been accepted.

Mr. GROOM.—I am pointing to the issue which was raised.

Mr. DEAKIN.—I admitted that that was a fresh factor.

Mr. GROOM.—That is so. At present we do not know whether fresh contracts are to be entered into, but we feel justified in again voicing at this stage the feelings of the people of Queensland. Considerable expansion has recently taken place in the industries of that State. With a view of securing some systematic method of conveying our produce to the markets of the old world, the State Government made a conditional arrangement with the Aberdeen Shipping Company, and the result has been exceedingly gratifying to our producers. With the knowledge that steam-ships, possessing cold storage accommodation, and capable of carrying our produce to the British markets, will call at certain prescribed times, new industries arise. It is the uncertainty as to vessels of this class being available which to some extent hinders the progress of our industries. Recently as many as 50,000 boxes of butter were exported by Queensland within the course of a few months, and, as our exports are increasing, we desire that our producers shall have some certainty as to suitable vessels calling at our ports at certain specified times. If Brisbane were a port of call for our mail steamers, that certainty would be assured. It is not the consideration of the mere carriage of mails or of passengers to Brisbane—with which we are so much concerned—and the desire that Brisbane shall be the terminal port of call for these vessels—so that the money at present expended in connexion with them at Sydney shall be spent in the Queensland capital, that influence us. All that we claim is that, now that Queensland is expanding, that her lands are being opened up and occupied, that large sums of money are being expended in the erection of cheese and butter factories, and that products which are at present attracting Imperial attention are likely to be cultivated in Queensland, we should surely be entitled to participate in the right which other States enjoy, of having these mail steamers to carry away their produce to the old world markets. It is, I think, a Federal claim, and I am sure that it will receive just treatment at the hands of this House. There is another matter relating to the export of produce which I regret to see

has not been more specifically dealt with in the Governor-General's Speech. In the opening speech a promise is made of certain bounties on agricultural produce, as a preliminary to the establishment of a Department of Agriculture. With all due deference I feel inclined to take up the position that we should first establish a Department of Agriculture. The producers feel the need of having a properly-organized Department of Agriculture. In the six States we have six Departments of Agriculture, working on their own lines. What we need is a system by which we can federalize the experiences of those six departments. In Queensland an experiment is taking place with respect to one class of produce ; in New South Wales an experiment is taking place with respect to another class of produce ; and so on in South Australia and Tasmania. Recently, in Queensland, our supply of seed wheat ran out, owing to the drought, and we had to import fresh varieties of seed wheat. We need a central Department which could generalize the experience of the States, so that the producers in each State might have the advantage of the experience in any part of the union. In Queensland we should derive a considerable benefit if we could get the experience of South Australia and New South Wales in connexion with a good many varieties of wheat which they have been growing. We feel that there is a need to have a Department of Agriculture which would inform us as to the state of the markets in the various States. Now that we have Inter-State free-trade we have considerable markets within the Commonwealth, and there are large quantities of produce which Queensland could supply to Victoria, and which Victoria could supply to Queensland. The same thing applies to New South Wales, Tasmania, and other States. With a properly-organized Department, if we had officers in each State who could centralize the information and advise the growers, a great deal of the produce which is being imported could be grown in the Commonwealth, and in this way we could give material assistance to our producers. We need a Department to work in conjunction with a High Commissioner whose duty it would be to assist us in our markets abroad. If we could get a Department to work on the same lines as the American Department of Agriculture, if we had our officers abroad to inform us of the condition of the markets, if we had an officer to whom we could send samples of what we produce, and an officer who could tell us how those

samples would take on the English market, we should render material assistance to our producers. In Queensland we have been producing certain classes of barley. A trial shipment of 50 tons is being sent home, and the report which has been received as regards the samples is that in that State we are growing the best barley which is producible in the world. That illustration ought to show that, if we had had our officers abroad, who could act not only on behalf of one State, but on behalf of all the States, a Department of that kind could be doing a very great and useful work for the Commonwealth. There are other kinds of work which the Department could do. It could be disseminating literature ; it could be publishing reports similar to those which are published by the American Department ; it could publish reports of the different experiments which are made in various parts of the world, with the view of producing a class of produce which would give higher and better results. Take, for instance, sugar-cane. Experiments are being made abroad, with the view of getting a class of sugar-cane which will give a higher percentage yield than those which exist. If we had similar reports given to us it might be of great advantage to the growers in our northern sugar-fields. Another very important matter which is affecting us in the need of having a Department of Agriculture, with regulations such as have been made in the United States, to deal with various pests. In Queensland we can deal with an evil as far as our border, and there we are stopped. New South Wales can deal with an evil up to its border, and there the authorities are stopped. At the present time we have a fruit fly which is causing incalculable injury. Suppose that we deal with that pest effectively, it pays no attention to the border, and crosses into New South Wales. In America the States have just the same powers as our States have, but by a series of executive regulations the States are encouraged to act on those regulations, and so they have a uniform method of dealing with the eradication of various pests. These are the lines on which our Department of Agriculture could work, and work successfully. I notice, with regret, that in the opening speech no reference is made to the establishment of a weather bureau. In Queensland we feel the need of a bureau. I think that most of the shipping people are feeling the need of proper weather forecasts for the whole of Australia. Queensland is subject,

perhaps more so than any other of the States, to heavy visitations of storms from the sea, from which very serious consequences result. When we had our own weather forecasts done in the State, flood signals were issued right along the coast, and shipping people were able to act upon them. It is to be deeply regretted that this matter has not been further advanced. I notice that some time back in Victoria it was stated that they were holding their hands pending the Commonwealth dealing with this question. I hope that the Government will see if it cannot take some action at the earliest possible date, seeing that it has control of the telegraphs and all the machinery required for the purpose of the weather bureau. There is another matter which I think ought to be mentioned, and that is the recent action of the Health Department of New South Wales in connexion with a shipment of produce from Brisbane. It appears that in 1900 all the States entered into a compact that they would enforce certain regulations with respect to shipping, in case of plague. In New South Wales the authorities have absolutely set aside this agreement, and enforced new regulations, which have not been agreed to by the States; and by their operation they have practically prohibited the import into the State of large quantities of Queensland produce. That is causing a great deal of irritation in Queensland, and some talk is made of taking retaliatory measures. I notice that in the opening speech reference is made to the question of Federal quarantine. I hope that it will be quite possible in the measure for that purpose to make general regulations, so as to prevent such treatment as our State is subjected to by New South Wales.

Mr. DEAKIN.—That is rather a matter for the Inter-State Commission.

Mr. GROOM.—The Government are going to deal with quarantine regulations generally as regards shipping. The action of which I complain arises purely out of shipping. New South Wales will not allow any grain or fodder of any description to be imported from Queensland; while Victoria, Western Australia, and the other States set up no such barrier. Retaliatory measures are being taken in Queensland. It is unfortunate that they have to be taken, and I sincerely trust that the matter will be amicably arranged, and it could be arranged under a Federal Act. I am heartily in accord with everything the Prime Minister said on the subject of immigration. Some

time ago I brought this matter under the notice of the late Prime Minister, who, I think, handed my letter on to his successor, with a view of seeing if something could not be done to attract additional population to the Commonwealth. It is not, I think, necessary to import a large number of artisans. What we ought to do is to advertise throughout the length and breadth of the United Kingdom the opportunities which Australia offers as a field for immigration and investment. Great prominence is given to the position of Canadian immigration. Queenslanders have gone over to Canada with a view of bettering their conditions, and I am very glad to say that they have come back with the opinion that Australia is as good a land in which to establish a home as any they have visited. Their advice to Australians is—"You have a good land; stick to it. There are some hardships to be borne here, but in every land it is the same, and Australia offers as good a field for enterprise as any other country." A great many unkind aspersions have been cast on Australia on account of the attitude which we have taken up in the Immigration Restriction Act. In passing that measure we simply recognized that law of self-preservation which every organized community recognises. We merely said—"We shall exercise the right of admitting to the Commonwealth only such citizens as we feel will add to the strength and welfare of the community as a whole." We are told that we are adopting an extreme attitude; but I will refer honorable members to the recently issued report of a Royal Commission on Alien Immigration in the United Kingdom, which consisted of Lord James of Hereford, Lord Rothschild, the Honorable Alfred Lyttleton, Sir Kenelm E. Digby, Major W. E. Evans Gordon, M.P., Mr. Henry Norman, M.P., and Mr. William Vallance, and which was appointed to inquire into—

1. The character and extent of the evils which are attributed to the unrestricted immigration of aliens, especially in the metropolis.
2. The measures which have been adopted for the restriction and control of alien immigration in foreign countries and in British colonies.

If honorable members will turn to part 2 of the report they will find a very interesting summary of the whole position, in which the Commissioners show that various nations exercise that right which every nation possesses, of excluding from its midst those immigrants whose presence would be a source of weakness. International law, the report says, recognises

the right of any nation to expel foreigners, and it would seem, unless the action is in contravention of a treaty, that no nation can complain of having its subjects returned to it by a foreign Government. The Commission proposed that there should be formed for the United Kingdom an Immigration Department, with officers whose duty it would be to inspect immigrants, to make such inquiries as might be possible from the immigrants on their arrival as to character, condition, and so forth, and to act on the information which they would receive in that way. In their recommendations they suggest that—

Any alien immigrant who, within two years of his arrival, is ascertained or is reasonably supposed to be—

- a criminal,
- a prostitute,
- a person living on the proceeds of prostitution,
- a notoriously bad character, or,
- shall become a charge upon public funds, except from ill-health, or shall have no visible or probable means of support,

may be ordered by a Court of summary jurisdiction to leave this country, and the owner of the vessel on which the immigrant was brought to this country may be ordered to re-convey him to the port of embarkation.

The report deals with the question of overcrowding, and of how aliens ought not to be allowed to live in certain areas, suggests that inquiries should be instituted as to the way in which they live in those areas, and discuss very fully the way in which these people should be treated. Unfortunately Australians have proved to be our worst enemies. In the old country they have talked about our exclusive spirit, and yet we find that in the United Kingdom a Royal Commission recognises the evils which result from an unrestricted flow of an undesirable class of immigrants.

Mr. CROUCH.—The Balfour Government have promised to bring in an Alien Restriction Bill.

Mr. GROOM.—That may be so. It will be clearly seen that in Australia we are not exercising a power which is unusual amongst civilized communities. We are merely exercising that power which is exercised for the preservation of the purity of national life. The opening speech deals with other matters of importance, to which I should like to refer, but I shall not delay honorable members any longer than to express the hope that the Government will be able to carry out even a few of the leading measures which they have foreshadowed. We

are told that there is nothing in their programme; that it is lacking in positive subjects. I hope that the Parliament will be able to see that there is something in the programme, and something which will lead to the welfare of the Commonwealth as a whole.

Debate (on motion by Sir JOHN FORREST) adjourned.

ADJOURNMENT.

PUBLIC BUSINESS.

Mr. DEAKIN (Ballarat—Minister for External Affairs).—In moving—

That the House do now adjourn,

I would ask honorable members to join with the Government in making a determined effort to close the debate on the Address in Reply to-morrow night. I had hoped that it would be finished this evening.

Mr. McDONALD.—There are only ten speakers to come now.

Mr. DEAKIN.—They will all be short speeches. I think that we can easily pack them into one night if honorable members will lend us their assistance. We have business of importance awaiting our attention, and the gamut of the Governor-General's Speech has been pretty well run already.

Question resolved in the affirmative.

House adjourned at 10 p.m.

Senate.

Wednesday, 16 March, 1904.

The PRESIDENT took the chair at 2.30 p.m., and read prayers.

NAVIGATION BILL.

Senator PULSFORD.—I desire to ask the Vice-President of the Executive Council, without notice, if the Government wish to make an explanation of the circumstances under which a statement has appeared in a certain morning newspaper purporting to be an explanation of the principal provisions of the Navigation Bill, which has not yet been presented to the Senate?

Senator PLAYFORD.—No; I cannot make any explanation. I do not know how the newspaper got its information on the subject.

Senator Lt.-Col. GOULD.—Was the information given by the Government?

Senator PLAYFORD.—I did not give it.

SAVINGS BANKS.

Senator PEARCE asked the Vice-President of the Executive Council, *upon notice*—

When the State Government of Western Australia dissociated the branches of the Savings Bank at Perth, Fremantle, Kalgoorlie, and Boulder from the post-offices there, did they take over the officers connected therewith; if not, why not?

Senator PLAYFORD.—The answer to the honorable senator's question is as follows:—

The officers connected with the Savings Bank at Perth were taken over by the State Government, but that Government did not take over the officers employed in connexion with the Savings Bank at Fremantle, Kalgoorlie, and Boulder post-offices. No explanation can be given as to the action of the State Government in this respect.

CUSTOMS DUTIES: TASMANIA.

Senator MACFARLANE asked the Vice-President of the Executive Council, *upon notice*—

What steps are the Government taking to facilitate a settlement of the claim of Tasmania to Customs duties collected in Victoria in 1901 on goods consumed in Tasmania?

Senator PLAYFORD.—The answer to the honorable senator's question is as follows:—

Writs have been issued in the High Court by the State of Victoria and by the State of Tasmania, and every facility is being given to secure a speedy settlement.

PREFERENTIAL WHARFAGE RATES.

Senator MACFARLANE asked the Vice-President of the Executive Council, *upon notice*—

Is it intended to include the question of preferential wharfage rates in a legislative measure this session?

Senator PLAYFORD.—This matter will be dealt with by the Inter-State Commission Bill.

SUBSTITUTES FOR BUTTER.

Senator STANFORTH SMITH asked the Vice-President of the Executive Council, *upon notice*—

1. What amount of oleomargarine, butterine, or similar substitute has been imported into the Commonwealth during 1903?

2. What regulations as to branding and colouring have been made under section 52 of the Customs Act 1901?

Senator PLAYFORD.—The answers to the honorable senator's questions are as follows:—

1. 560 lbs. of butterine were imported into the Commonwealth during the year 1903.

2. The regulation on the subject is as follows:—

SECTION 52.—IMPORTATION OF SUBSTITUTES FOR BUTTER.

No oleomargarine, butterine, or any similar substitute for butter shall be imported unless coloured a distinct pink colour by the admixture of a sufficient proportion of alkanet root, nor unless distinctly branded or stamped with its trade name.

PACIFIC CABLE.

Senator STANFORTH SMITH asked the Vice-President of the Executive Council, *upon notice*—

1. Has a date been fixed for the Conference in London of the representatives of the Governments interested in the Pacific Cable?

2. Is it true that representations were made to the Federal Government that a limited number of words in press messages on matters of public interest should be carried free over the Pacific Cable, in order to popularize the line, and increase the knowledge and community of interests between the various portions of the Empire linked together by the cable?

3. Why were the Federal Government the only ones to oppose this?

4. Is it not a fact that owing to traffic not being sufficient to keep the present staff fully employed, this could be done without additional expense?

5. Seeing that the Colony of Victoria prior to Federation refused to allow the Eastern Extension Telegraph Company to open offices in Victoria, and as legislative consent has been withheld by the Federal Parliament to such an innovation, under what section of the Post and Telegraph Act does the Ministry claim power to grant this concession?

Senator PLAYFORD.—The answers to the honorable senator's questions are as follows:—

1. Not yet.

2. Yes.

3. The Federal Government were not the only ones to oppose it. The Pacific Cable Board opposed it strongly.

4. An assertion to that effect was made a year ago.

5. So far as legislative authority is necessary, section 81 of the Post and Telegraph Act may be referred to.

FEDERAL CAPITAL.

Senator STANFORTH SMITH asked the Vice-President of the Executive Council, *upon notice*—

Is it the intention of the Government to obtain from the surveyors who have been appointed to recommend areas for a Federal Capital site at

Tumut and Bombala the following information to lay before Parliament :—

1. The delimitation of an area of 1,000 square miles at each place that they consider most suitable for a Federal Capital site, giving the following information regarding each area :—

- (a) Accessibility. (b) Means of Communication. (c) Climate. (d) Topography. (e) Water Supply — gravitation or pumping. (f) Drainage. (g) Soil. (h) Building material. (i) Fuel. (j) The estimated cost of resumption of each site by ascertaining from the landholders within those areas the price they ask for their land. (k) An estimate of the Federal expenditure that would be, in their opinion, absolutely necessary during the next ten years for each site if selected?

2. Will the Government also state whether (in the event of an area of 1,000 square miles being decided upon by Parliament) the Constitution gives them the right to acquire all Crown lands within that area free of cost, and, if not, will they ascertain what the Government of the State of New South Wales is prepared to do regarding those Crown lands outside the 100 square mile minimum?

Senator PLAYFORD.—The answers to the honorable senator's questions are as follows :—

1. A copy of the minute addressed by the Minister for Home Affairs to the Prime Minister, embodying the instructions to the surveyors engaged on the preliminary topographical examination of the country at Tumut and Bombala, is herewith. (See below).

2. The first question is one of law. The Government of New South Wales will be approached at a later stage in respect of this and other cognate matters.

Commonwealth of Australia.

Department of Home Affairs.

OFFICE MEMORANDUM.

SUBJECT :—EXAMINATION OF FEDERAL CAPITAL SITES.

I wish to give the following instructions in regard to the action to be taken for obtaining further information relative to the future Federal Capital site.

The Parliament was unable to decide as to the relative merits of the Tumut site and the Bombala site; but it was clearly stated that in advocating the claims of both these sites, the exact locality upon which the Federal Capital was to be built was not intended to be decided, and that a further examination would be necessary in order to ascertain the exact position for the Federal City.

In regard to Tumut, the House of Representatives inserted a proviso that the capital city should be within an area not more than 25 miles from Tumut, and should be situated at an elevation of not less than 1,500 feet above the sea.

In order to obtain the information necessary to enable Parliament to further consider the matter, I have suggested to the Prime Minister that a sum of £2,000 should be provided to enable the work to be carried out. So soon as you

are notified that this money is available, I wish a communication to be made to the Government of New South Wales, asking them to recommend two experienced surveyors—one with an intimate knowledge of Tumut and its surrounding country, and the other with an intimate knowledge of Bombala, Dalgety, and the country along the Snowy River. Each of these surveyors would require, I should say, two assistants, with a small camp equipment.

In regard to Tumut, only those localities within the 25 mile area which are 1,500 feet and upwards above the sea need be examined.

In regard to Bombala, I would like sites to be examined on the Snowy River; and I am informed that below Dalgety there are several localities deserving of inspection—all of which are considerably more than 1,500 feet above the sea.

In selecting any site upon the Snowy River, care should be taken to examine localities where the river bed is fairly level, so that it might lend itself to long stretches of water, by damming, which would add very greatly to the attractiveness and beauty of a great city.

The plan I suggest for the survey would be—assuming, as I do, that the country has already been triangulated, and that trigonometrical stations are numerous, with ascertained elevations—to make such trigonometrical stations the data for carrying out the work, and to fill in numerous heights, either by angles of elevation to the various trigonometrical points, or by observation of the barometer. I think that, by this means, in a very short time, if the work is systematically arranged, the surveyor would be in possession of a sufficient number of fixed points with elevations, to draw in, with reasonable accuracy, the contour lines of the suitable localities examined. As I do not anticipate that there will be many places with qualifications almost equal, I am in hopes that one or two places will be found to stand out prominently as superior to the others; if this be the case, then more attention can be given to those places having, obviously, the best qualifications.

It will require to be always prominently kept in mind that good drainage will be wanted from the selected site, and when suitable sites have been selected and examined, then attention will have to be given to the nearest point where a great water supply will be available. It may, of course, happen that to obtain a great water supply will mean a large expenditure; but that need not necessarily govern the question, as no doubt, for many years to come, the water supply will be obtainable near at hand, and at a very small cost. Nevertheless, there will have to be no uncertainty as to the position and distance of the great permanent water supply for the future.

The accessibility of the locality will also require to be kept prominently in view, and the practicability of connecting it easily with the existing railway systems. In the case of both Tumut and Bombala, there can be no doubt that easy access by railway to the great cities of Sydney and Melbourne will have to be given full consideration.

There are many other matters connected with the details of the selection of a Federal city, but the more prominent ones I have referred to, and I have no doubt that the experienced officers, who will be recommended to the Department by the Government of New South Wales, will find

no difficulty from the foregoing observations in realizing fully the object which I have in view, and will be able to fully understand what is required.

JOHN FORREST,
Minister of State for Home Affairs.
10th November, 1903.

MILITARY INSPECTION: TASMANIA.

Senator O'KEEFE asked the Vice-President of the Executive Council, *upon notice*—

1. If there are any objections to laying on the table of the Senate the report of the Committee of Inquiry into the circumstances surrounding the refusal of the Southern Tasmanian troops to attend the inspection by General Hutton on 6th February last; also the recommendations of General Hutton on such report?

2. Will the Minister for Defence defer his final decision on the matter until such report is tabled?

Senator PLAYFORD.—The answer to the honorable senator's questions is as follows:—

This matter, which concerns the discipline of the Forces, is now pending; but there would be no objection to communicating the report and recommendations of the General Officer Commanding to the House in due course.

GOVERNOR-GENERAL'S SPEECH: ADDRESS IN REPLY.

Senator PLAYFORD (South Australia—Vice-President of the Executive Council).—I have to announce that His Excellency the Governor-General will be pleased to receive the President and as many honorable senators as may choose to accompany him, at Government House, at half-past 3 o'clock this afternoon, for the purpose of presenting the Address in Reply; and in accordance with the Standing Orders I beg to move—

That the Address in Reply be presented to His Excellency the Governor-General by the President, and such senators as may desire to accompany him.

I propose that the sitting of the Senate shall be suspended from 10 minutes past 3 o'clock until, say, a quarter to 4 o'clock.

Senator CLEMONS (Tasmania).—I wish to ask Senator Playford if he does not consider it advisable that we should adjourn now. Why should we sit here until 10 minutes past 3?

Senator PLAYFORD.—Because we can do some work in the meantime.

Senator CLEMONS.—I should think that it is desirable to adjourn now; but if the honorable senator does not feel inclined to take that course, I have nothing further to say.

Question resolved in the affirmative.

SUSPENSION OF SITTING.

Motion (by Senator PLAYFORD) agreed to—

That at 10 minutes past 3 o'clock the sitting of the Senate be suspended until a quarter to 4 o'clock.

POSTPONEMENT OF BUSINESS.

Motion (by Senator PLAYFORD) proposed—

That Government business, order of the day No. 1, be postponed until after the consideration of private business, notice of motion No. 1.

Senator DOBSON (Tasmania).—My objection to our proceeding with business at once is that several honorable senators have not yet arrived. If important business is to be undertaken within a few minutes it is desirable that all honorable senators who are in Melbourne should be present. I would, therefore, appeal to Senator Playford not to hurry on with ordinary business by postponing Government business, which could occupy our attention for some time. I would suggest to him the propriety of the Attorney-General's proceeding with the second reading of the Acts Interpretation Bill. We have all been waiting for some specific business to do. He could move the second reading of that Bill, and then we could present the Address in Reply to the Governor-General. I desire to inform Ministers that several honorable senators who are not present may arrive in the course of a few minutes.

Senator Lt.-Col. GOULD (New South Wales).—This discussion shows the inconvenience which arises sometimes from such an intercepting motion as we have just had. When Senator Playford suggested that the Senate should adjourn from 10 minutes past 3 until a quarter to 4 o'clock it would have been better if we had had a clear understanding from the Government whether they proposed to go on with the second reading of the Acts Interpretation Bill. I join with Senator Dobson in deprecating a change in the order of business. No good reason has been shown for making this unnecessary change. I can indorse his statement that there are certain honorable senators who intend to be here at a later hour, and who anticipated that the motion of Senator McGregor relating to the election of a Chairman of Committees would not be reached until about 3 o'clock, or shortly afterwards. Although it makes no difference to me personally, still I think that we ought to consider the convenience of honorable

senators who would naturally conclude that the business would be taken in the order in which it appears on the paper.

Senator DAWSON.—Unless there is extreme urgency.

Senator Lt.-Col. GOULD.—In this case no extreme urgency has been shown. I do not know that any member or any large section of the Senate desires to leave the chamber within the next few minutes for the rest of the day. Unless a desire of that kind is expressed I fail to see any reason for making a change in the order of business. It is a pity that so early in the session honorable senators should be given any cause to think that they can place no reliance on the Government. I believe that the phrase of the Government is that they will go "straight on" with their business. Therefore, I would appeal to Senator Playford, who I know has no intention to inconvenience any honorable senators, to ask leave to withdraw his motion. I feel quite sure that honorable senators will place no obstacle in his way, or object to the Attorney-General going on with the second reading of the Acts Interpretation Bill, which I understand is not likely to occupy our attention very long. If that course were taken it would satisfy honorable senators that there is no desire to prevent absent senators from recording their vote on a very important question which will arise directly.

Senator PLAYFORD (South Australia—Vice-President of the Executive Council).—My reason in asking for the postponement of this order of the day is to enable the Senate to deal with the motion of Senator McGregor at a time when a majority of honorable senators are present, rather than to leave its consideration to an uncertain time. If we were to go on with Government business no honorable senator would know when that motion would be likely to be brought on. At the present moment we have a full attendance, but the chances are that it will be much smaller at a later hour. I have taken this course for the purpose of enabling an important question to be decided in as full a Senate as possible, believing that we should get a fuller attendance immediately after the beginning of the sitting than at a later hour. In the circumstances, therefore, I cannot consent to the withdrawal of the motion. It remains with the Senate to decide whether it will support me in taking what I believe to be the right and proper course.

Question put. The Senate divided.

Ayes	...	...	...	15
Noes	...	...	...	15

AYES.

Croft, J. W.	Pearce, G. F.
de Largie, H.	Playford, T.
Drake, J. G.	Stewart, J. C.
Findley, E.	Story, W. H.
Givens, T.	Trenwith, W. A.
Henderson, G.	Turley, H.
Higgs, W. G.	<i>Teller.</i>
McGregor, G.	Guthrie, R. S.

NOES.

Baker, Sir R. C.	O'Keefe, D. J.
Best, R. W.	Pulsford, E.
Dawson, A.	Smith, M. S. C.
Dobson, H.	Styles, J.
Gould, A. J.	Walker, J. T.
Gray, J. P.	Zeal, Sir W. A.
Macfarlane, J.	<i>Teller.</i>
Millen, E. D.	Clemons, J. S.

The PRESIDENT. — The numbers being equal, the question passes in the negative.

Question so resolved in the negative.

ACTS INTERPRETATION BILL.

SECOND READING.

Senator DRAKE (Queensland—Attorney-General).—I move—

That the Bill be now read a second time.

Senator Lt.-Col. GOULD. — I would suggest to the Attorney-General that it would be convenient to suspend the sitting of the Senate at once, instead of in about twenty minutes.

Senator DRAKE.—It will not take me long to explain the provisions of this very short and simple Bill, but of course it will be open to any honorable senator to move the adjournment of the debate. The object of the Bill is to extend the operation of the Acts Interpretation Act by including certain definitions which are designed for the purpose of shortening future Acts of Parliament. Its provisions can, of course, only apply to future legislation. Nearly all its clauses have already appeared in other measures which have been passed by the Senate. Where these clauses have appeared previously in Bills already passed by the Senate, they have applied only to those Bills. As a consequence, nearly all these provisions have already received the assent of the Senate as applying to certain other matters of legislation. We now propose in order to obviate the necessity of repeating these provisions in all our Bills, to deal with them once for all in this Bill,

so that it may be understood when certain expressions occur that they have the meanings it assigns to them. The second clause provides, as I have said, that the Bill is to apply only to legislation passed after the commencement of the Act. Honorable senators will be familiar with the third clause, which was first introduced in the Customs Act. In the Act, instead of stating in a formal manner, after each section, providing for an offence, that the commission of the offence would be followed by certain penalties, we added the word "Penalty," and the amount of the penalty, and provided in a section similar to this clause that those words should have that meaning. A similar provision is introduced in this Bill, so that in future in all our legislation, where a penalty is stated at the foot of a section, it will mean that if a person is convicted of an offence stated in the section, he shall be liable to that penalty. The next clause similarly defines what are indictable offences. We have already provided for this in other Acts we have passed, and it is intended here to provide once and for all what shall be regarded as indictable offences. In the following clause we deal in the same way with offences punishable by summary conviction. Clause 6 has reference to pecuniary penalties, and clause 7 provides that where under any Act imprisonment may be awarded for an offence, it may be awarded with or without hard labour. Clause 8 may appear somewhat formidable, but it is of exactly the same character.

Senator DOBSON.—It is more than an interpretation. It practically creates an offence.

Senator DRAKE.—No, it does not create any offence, for the reason that this Bill will not apply to any existing legislation. If we were passing a Bill in the future providing punishment for a certain offence, we should in all probability put in a clause exactly similar to this, providing that aiding and abetting in the commission of the offence should also be considered an offence under the Act. By inserting this clause we avoid the necessity of having to repeatedly enact such a provision in other Bills.

Senator DOBSON.—It says "the offence"; not "any offence."

Senator DRAKE.—The offence provided for in the particular Act with which we may be dealing.

Senator DOBSON.—That would surely depend upon the original offence.

Senator DRAKE.—Exactly in the same way that all other sections will depend on what the original offence is. This is simply to provide that the act of aiding and abetting shall be an offence.

Senator DOBSON.—It is rather a drastic provision to put into an Interpretation Act.

Senator DRAKE.—The honorable and learned senator will find such a section in nearly every Criminal Code. I know that the Criminal Code of Queensland contains such a section.

Senator DOBSON.—I am aware that it is not unusual.

Senator DRAKE.—It is not unusual in a criminal code to provide comprehensively that aiding and abetting in the commission of an offence shall be considered an offence. The next clause is similar, and provides that an attempt to commit an offence shall also be considered an offence punishable, as if the offence had been committed. Clause 10 deals with the meaning to be ascribed to the words "Justice of the Peace," "prescribed," and "regulations." We are quite familiar with these definitions, which have already appeared in Acts passed by this Parliament. We propose to provide in this Bill once and for all that wherever the word "prescribed" occurs in a Bill in future it shall mean "prescribed by the Act or by regulations under the Act," and that "regulations" shall mean "regulations under the Act." The last clause dealing with regulations is intended to carry out a desire expressed by some honorable senators when we were passing the Rules Publication Act last session, that there should be some general provision as to the conditions under which regulations should be made. I think this clause will meet the wishes of those honorable senators. At the same time it leaves it open to Parliament to at any time make provision for a longer or shorter period within which regulations may be laid before both Houses. This is done by means of the addition of the words "unless the contrary intention appears." Under this clause, unless the contrary intention appears, all regulations made under an Act of Parliament must be notified in the *Gazette*. They will take effect from the date of the notification, or from a later date specified in the regulations, and they must be laid before both Houses of Parliament within thirty days of the making thereof, or if the Parliament is not then sitting within thirty days after the next meeting of the Parliament. This is a

provision we have generally adopted before, and it has therefore already commended itself to the Senate. What is here proposed was asked for by several honorable senators, including, I remember, Senator Neild, who urged very strongly that we should make a uniform provision with regard to the method of making regulations under an Act, whatever the subject of the regulations might be. If this clause be agreed to, it will make the method uniform unless the contrary intention appears in the Act under which the regulations are proposed to be made. I have given an explanation of the clauses of this Bill, and if any further information is required it can be given in Committee. At this stage I desire honorable senators to understand the principle of the Bill. Instead of having to repeat over and over again in every Bill brought forward the same provisions, we include them in a general Interpretation Act, which shall be read in conjunction with all future legislation.

Senator Lt.-Col. GOULD (New South Wales).—I agree with the honorable and learned Attorney-General that it is desirable we should frame our legislation in such a manner that our mode of procedure under our several Acts of Parliament may be uniform wherever practicable. At the same time, it is well, in passing a Bill of this kind, to be perfectly certain that its provisions will be generally acceptable. A very important clause in this Bill is that dealing with the making of regulations. We are all aware that the framing of regulations under an Act of Parliament is one of the most important duties which the Executive have to perform. When we provide that certain regulations may be made by His Excellency the Governor-General, with the advice of the Executive, those regulations have the force of law, and persons are liable to punishment under them. The question has been raised in this Chamber whether regulations ought not to be dealt with in such a way that Parliament will be given an opportunity of saying whether or not they shall be disallowed. Clause 11 of this Bill provides—

Where an Act confers power to make Regulations, all Regulations made accordingly shall, unless the contrary intention appears—

(a) be notified in the *Gazette*;

(b) take effect from the date of notification, or from a later date specified in the Regulations;

(c) be laid before both Houses of the Parliament within thirty days of the making thereof, or, if the Parliament is not then sitting, within thirty days after the next meeting of the Parliament.

When this is done the regulations are to have the same force and effect as if they had been embodied in an Act of Parliament. In the early days of the life of this Senate we passed provisions dealing with regulations in which we recognised the right of Parliament to say whether the regulations should remain in force or not. This precaution is entirely omitted from this clause. Referring haphazard to Acts already passed, I find that under the Customs Act, which I take to be one of the most important Acts we have passed, after making provision for the publication of regulations made under that Act in the *Gazette*, and for laying them upon the table of both Houses, we made this further provision—

But if either House of the Parliament passes a resolution at any time within fifteen sitting days after such regulations have been laid before such House disallowing any regulation, such regulation shall thereupon cease to have any effect.

We followed the same course in dealing with the Distillation Act and with the Excise Act, whilst in other cases we did not follow that course. We have now an opportunity of dealing with this matter in a definite way, and of laying down rules which shall always be observed until Parliament sees fit to alter them, and I say that the rule with respect to the making of regulations should be that which we followed in the Customs Act. We should leave the power with either House of the Parliament to disallow any regulation made under an Act on a specific motion expressing disapprobation of it. We should leave it to the Executive to take further action if they think necessary. We do not desire to have regulations made having the force of law which do not commend themselves to honorable members in both Houses of Parliament. I point out to honorable senators that if the provisions which will be made by regulation were submitted to Parliament in the Act under which they are made, both Houses would have the right to place a veto upon them or to make amendments in them. Under clause 11 of this Bill it is proposed to place the power of making regulations entirely in the hands of the Executive, without any expressed power on the part of Parliament to interfere with them. I desire to surmount that difficulty. I think

that all regulations should be laid upon the table of both Houses, and if within fifteen sitting days thereafter any member of either House thinks any regulation proposed to be undesirable, he should have the power to submit a motion expressing disapprobation and disallowance of that regulation. That would recognise the power of Parliament. Honorable senators must realize that I take up in this matter the only logical position. No one has a greater desire than I have to preserve the rights and powers of the Executive; but I do not believe in giving the Executive powers which belong rightly to Parliament. I shall, therefore, ask honorable senators to make the alteration I suggest in clause 11 when we are considering the Bill in Committee. I see no objection to the other clauses of the Bill. I would point out, however, that it is remarkable that the first Bill which we are called upon to deal with in this Parliament should be one affecting the liberty of the subject, and dealing with pains, penalties, and imprisonment.

Question resolved in the affirmative.

Bill read a second time.

The PRESIDENT.—Under the Standing Orders I propose now to put the question—

That the President do now leave the chair, and the Senate resolve itself into a Committee of the whole for the consideration of the Bill.

But I shall be prepared to receive an amendment to that question.

Senator Lt.-Col. GOULD (New South Wales).—I move as an amendment—

That the following words be added:—"And that Senator Dobson do take the chair in the Committee on this Bill for this day."

I take this action because it cannot prejudice the election of a Chairman of Committees, which is to come on later, and I think it is better that some honorable senator who has previously occupied the chair should take the position for the purpose of dealing with this Bill.

Senator MCGREGOR (South Australia).—I beg to second the amendment.

Amendment agreed to.

Question, as amended, resolved in the affirmative.

In Committee:

Clauses 1 to 7 agreed to.

Clause 8—

Whoever aids, abets, counsels, or procures, or by act or omission is in any way directly or indirectly concerned in, the commission of an offence against any Act, shall, unless the contrary intention appears in the Act, be deemed to have committed the offence and be punishable accordingly.

Senator STEWART (Queensland).—I would ask the Attorney-General whether this clause is not altogether too drastic? It provides that—

Whoever aids, abets, counsels, or procures.

That is all right, and I do not think any one can object to it. But it goes on to say—

Or by act or omission is in any way directly or indirectly concerned in the commission of an offence against any Act.

"Omission" is a very negative quantity. I may be passing a man on the road who is levelling a gun at some one with intent to murder him, and, if I omit to take the gun from the fellow, I may, under this clause, be held to be aiding and abetting in the attempted murder.

Senator Lt.-Col. GOULD.—It does not go quite so far.

Senator STEWART.—No one knows how far or how near lawyers will go. The clause will be quite wide enough without this word "omission." I move—

That the words "or omission" be left out.

Progress reported.

At 3.10 p.m. the sitting was suspended.

The PRESIDENT resumed the chair at 3.45 p.m.

GOVERNOR-GENERAL'S SPEECH: ANSWER TO ADDRESS IN REPLY.

The PRESIDENT.—I have to report to the Senate that, accompanied by a number of honorable senators, I this afternoon presented the Address in Reply to the Governor-General's Speech, when His Excellency was pleased to make the following answer:—

Governor-General.

Melbourne, 16th March, 1904.

MR. PRESIDENT AND GENTLEMEN,

It is with extreme pleasure that I receive from you the Address adopted by the Senate in reply to the speech delivered by me on the occasion of the opening of the first session of the second Commonwealth Parliament.

I trust that the deliberations of the Senate during the ensuing session will be productive of much benefit to the people of the Commonwealth.

NORTHCOTE.

ACTS INTERPRETATION BILL.

In Committee (Consideration resumed):

Senator DRAKE (Queensland—Attorney-General).—I would point out to Senator Stewart, and to those who agree with him, that the clause is identical with clauses inserted in other Bills providing for the punishment of criminal offences, and that probably similar words will be inserted in Bills in the future. The instance cited by Senator Stewart was rather far-fetched, seeing that this provision would not apply to persons who were standing by, and not concerned in an offence. If, on the other hand, there were a crowd of men, all hostile to another man, and one of the crowd struck a blow, it is certainly not desirable that those standing by, and consenting to the offence, should be held to be blameless. If the amendment were carried, it would be possible for men in such a position to say that they had nothing whatever to do with the offence, whereas it is desirable that, even if they are only indirectly concerned in it, they should be held guilty. In some cases persons standing by might be more guilty than the offender who struck the blow. The clause is identical with section 236 of the Customs Act.

Senator Lt.-Col. GOULD.—The Customs Act is no criterion to us in dealing with ordinary Bills.

Senator DRAKE.—That may be admitted. I am merely pointing out that there is a precisely similar provision in certain Acts, and that it may find a place in future Bills. The section of the Customs Act is as follows:—

Whoever aids, abets, counsels, or procures, or by act or omission is in anyway directly or indirectly concerned in the commission of any offence against this Act shall be deemed to have committed such offence, and shall be punishable accordingly.

A person must be concerned in an offence before he can be deemed guilty.

Senator Lt.-Col. GOULD.—No doubt there is some safety in the words "concerned in."

Senator DRAKE.—A person must be actually aiding and abetting to come within this provision. There is a precisely similar provision in section 113 of the Patents Act.

Amendment negatived.

Clause agreed to.

Clauses 9 and 10 agreed to.

Clause 11 (Regulations).

Senator DRAKE.—It is right that I should refer to the objection raised by Senator Gould, and point out that there is

nothing in this Bill to prevent Parliament, in any future legislation, from making whatever provisions are deemed necessary in regard to the power of disallowance, according to the subject-matter of any Bill. A longer or shorter period might be desired. The present Bill provides only that unless the contrary appears, the power to make regulations shall be implied. I notice that in the Customs Act, and also in other Acts, the power of disapproval by Parliament is provided for; but there are varying conditions. In some cases no such power is allowed, and what we are trying to obtain is a uniform and constant rule, leaving exceptional cases to be dealt with separately, according to the subject matters of the Bills.

Senator Lt.-Col. GOULD (New South Wales).—I quite agree with a great deal that Senator Drake has said, but, after all, we are seeking after uniformity in legislation. The Attorney-General, having introduced a Bill to that end, now tells us that each future Bill will stand by itself, and that the Senate can make what provision they please in regard to regulations. I take it that there are certain clearly-defined matters on which we can have uniform legislation of this kind, in order that we may not have to repeat a similar provision over and over again. I desire honorable senators to realize that there should be one uniform rule in regard to regulations, so as to do away with the need of questions or discussion on each Bill. Unless an amendment of the kind I have indicated be agreed to, we may be surprised some day by finding that we have no power to deal with regulations, however unjust they may appear, unless, of course, we take the extreme course of passing a vote of censure on the Government.

Senator DRAKE.—A provision can be put into each Bill.

Senator Lt.-Col. GOULD.—But the Government would make the provision in the simplest way, and if honorable senators were not wide awake enough, they might be misled by the assurance that the matter had been provided for in an Act passed years ago, with a view to uniformity of legislation. I, too, want uniformity of legislation, but it must be on lines which recognise the power of each House of Parliament. Regulations are necessary to provide for minor matters which are not important enough to find a

place in the clauses of a Bill; and if Ministers are to be allowed discretion, Parliament should also have discretion in approving or disapproving. The amendment I intend to propose is in the words of the section in the Customs Act. That is an Act under which far-reaching powers are exercised, and by which we give the Executive wide discretion in order to prevent fraud, as far as human ingenuity can—but it affords to Parliament an opportunity of passing a resolution disallowing any regulation. Such a provision would be a safeguard to the public, and inflict no injury whatever.

Senator DRAKE.—It would not be desirable in every case.

Senator Lt.-Col. GOULD.—I cannot conceive of a case in which it would not be desirable. I move—

That the following words be added:—"But if either House of the Parliament passes a resolution at any time within fifteen sitting days after such regulations have been laid before each House disallowing a regulation, such regulation shall thereupon cease to have effect."

If neither House desires to interfere a regulation will remain in existence.

Senator STEWART.—Why limit the period to fifteen days?

Senator Lt.-Col. GOULD.—There must be some limit, and this was the time fixed under the Customs Act.

Senator STEWART.—I think that under another Act there is power to review the regulations at any time.

Senator Lt.-Col. GOULD.—If action is not taken within the fifteen days the public assume that the regulations meet with the approval of Parliament, and know that they have full force and effect.

Senator DRAKE.—The effect of the amendment would be to make a hard and fast rule, instead of leaving the matter open. Under this clause, if the contrary intention appears, a regulation can be overridden; and to that extent the amendment is not necessary.

Senator Lt.-Col. GOULD.—Unless the amendment be carried there will be discussion about regulations on each Bill.

Senator DRAKE.—That would be only to the extent of determining whether it was desirable that there should be a power of disallowing a regulation to be exercised within a limited time.

Senator Lt.-Col. GOULD.—The Bill should provide for the exercise of the power in every case.

Senator DRAKE.—That point might very well be considered in connexion with every Bill. The object of this Bill is not to provide a uniform rule with regard to all matters of legislation, but simply to provide a means of shortening Acts in regard to matters which recur with uniformity in nearly all our legislation. In nearly all our Acts there is a provision in regard to regulations which embodies notification in the *Gazette*, date of notification, and the presentation of the regulations to Parliament.

Senator GIVENS.—What is the object of laying any regulations before Parliament?

Senator DRAKE.—In order that Parliament may be apprised of the fact that the regulations have been made. In nearly all our Acts we have given each House of the Parliament, by resolution, power to disallow a regulation, and probably that will be done in the case of future Bills. The Government considers that it was not necessary or desirable to include a provision of that kind in this Bill. I do not feel very keenly on the subject, and if the Committee should be strongly of opinion that this amendment should be made, I shall not call for a division.

Senator TRENWITH (Victoria).—The object of this Bill is, as far as practicable, to enact certain general principles which are usually embodied in each Bill which is presented. It has become a general practice, in order to make a Bill as little cumbersome as possible, to provide for the making of regulations, which, when adopted, have the force of law. The true principle, however, is that the Parliament should make all our laws, and I agree with Senator Gould that each House of this Parliament should have the right of reviewing Executive-made law called regulations. Unless this amendment be made, the object of this Bill will be frustrated, because we shall not be able to secure a uniform treatment of regulations. It would be a wise thing to embody in a general rule the rights of each House of the Parliament with respect to any regulations made under a statute. It might very properly be made a general rule that within a period of sixteen sitting days the members of either House should have the right to take exception to any regulation under an Act. The Attorney-General has pointed out that a provision of that kind might prove irksome, in that some circumstances might occur which might render it desirable to adopt a longer or a shorter period for the exercise of the power. That objection might easily be overcome by the

insertion of a special provision in any Bill of an extraordinary character. This amendment would permit of the treatment of any particular Bill in a special way if the Parliament should see fit. As the necessity for that could only arise in exceptional circumstances, it would not be an irksome matter for the Parliament to insert in any such Bill a special provision with regard to the regulations to be made thereunder.

Senator PULSFORD (New South Wales).—I have before to-day remarked that government by regulation "has increased, is increasing, and ought to be diminished." On many occasions we have had evidence of powers assumed under regulations which would have been at least disputed by a considerable number of members in Parliament if the opportunity had been afforded. I think it is desirable that the Senate should retain some power over its legislation and the administrative action of the Government. The Post and Telegraph Act, for instance, gives the Government power by regulation to fix the postal rates where there are no contracts. I believe that that simple provision is in the hands of the Government likely to play a very important part in regard to mail business. I think it is desirable to, as far as possible, tie the Government down and to give the Senate an opportunity of dealing with all regulations. I therefore support the amendment.

Amendment agreed to.

Clause, as amended, agreed to.

Title agreed to.

Bill reported with an amendment.

CHAIRMAN OF COMMITTEES.

Motion (by Senator MCGREGOR) proposed—

That Senator Higgs be appointed Chairman of Committees.

Senator DAWSON (Queensland).—I second the motion.

Motion (by Senator DOBSON) proposed—

That Senator Best be appointed Chairman of Committees.

The PRESIDENT.—Is there any other nomination?

Senator CLEMONS (Tasmania).—Before you ask is there any other nomination, I think, sir, that you ought to see that the nomination of Senator Best is seconded.

The PRESIDENT.—The honorable and learned senator is quite right.

Senator CLEMONS.—I second the nomination of Senator Best.

The PRESIDENT.—Only two names having been proposed, the Senate will now proceed to a ballot.

Senator CLEMONS.—If I understand the position rightly, sir, and I think I do, these proceedings were originated by a motion. Although the Standing Order provides, and very properly provides, that a ballot shall be taken for the election of a Chairman of Committees, I fail to see how you can decide that a ballot shall be taken in the case of an ordinary motion.

The PRESIDENT.—I can only interpret the Standing Order in one way. It says—

The Chairman of Committees shall be appointed in a similar manner to the President.

Senator CLEMONS.—This is a motion nevertheless.

The PRESIDENT.—There was also a motion to appoint a President. I cannot conceive that the Standing Order has any other meaning.

Senator CLEMONS.—I submit that in the case of the election of the President no notice of motion was given. Why was notice of motion given in this case?

Senator PLAYFORD.—A motion is a motion whether notice is given or not.

Senator CLEMONS.—To start with, this motion is clothed with the formality of an ordinary motion. Notice of the motion was properly given, and you, sir, accepted it. I contend that it is quite arguable that having accepted the notice of motion for a certain question to come before the Senate on a certain day the ordinary formalities must be observed.

The PRESIDENT.—I must observe the Standing Order. It is impossible to give any other meaning to the standing order than that which I have given. It says—

The Chairman of Committees shall be appointed in a similar manner to the President.

That means by a ballot. Any one who recollects all the debates on the Standing Orders must know that that was what was meant by the phrase "a ballot." My ruling is that a ballot shall now take place.

A ballot having been taken,

The PRESIDENT.—There have been seventeen votes recorded for Senator Higgs, and twelve votes for Senator Best. Twenty-nine honorable senators have voted, and as seventeen is a majority, Senator Higgs has been appointed Chairman of Committees.

Senator HIGGS (Queensland).—I beg to thank honorable senators for the honour

they have conferred upon me. It is an honour which I venture to hope and believe will be popular in Queensland. I can assure the Senate that no effort will be spared on my part to fill the position to which I have been elected with credit and strict impartiality.

Senator BEST (Victoria).—I desire to say that I congratulate Senator Higgs upon his appointment as Chairman of Committees, and at the same time I wish to assure him that it will be a pleasure to me to afford him any little help I can by reason of the experience I acquired in the chair. I have, at the same time, to say to honorable senators, and particularly to those who voted for me, that I am grateful for their acknowledgment of my past services. I need only add that I bow with pleasure to the decision of the Senate.

CHINESE IN THE TRANSVAAL.

Senator MCGREGOR (South Australia).—I move—

That this House emphatically protests against the introduction of Chinese labour into the Transvaal, until a referendum of the white population of that Colony has been taken on the subject or responsible government is granted.

In submitting the motion standing in my name in connexion with the introduction of alien labour into the Transvaal, I may have to reply to the objections of a number of people who declare that it is not a part of the business of the Commonwealth of Australia to interfere with the actions of those residing in another portion of the world over which we have no control.

Senator Lt.-Col. GOULD.—Hear, hear; quite right, too.

Senator MCGREGOR.—Senator Gould's interjection proves that he is one of those people. Yet it is not such a very long time since the honorable and learned senator, and others of his way of thinking, were howling, not only in Australia, but all over the world, that all portions of the British Empire should rush to the assistance of the mother land. That was the idea in their minds then, but to-day, because many of us think that we have the right not only to interfere with the conduct and actions of our brothers and sisters in the British Empire but with those of even our father or mother, whichever term honorable senators may choose to apply to the old country, the persons to whom I have referred form a totally different opinion. When all Australia was in a state of agitation in connexion

with the course of action she should pursue some very few years ago, it was generally held that it was our duty to take sides with the mother country. I am sure that the whole world has acknowledged that the Commonwealth of Australia did so in a very hearty manner, whether her action on that occasion was wise or otherwise. I know that, at the time, I differed from the opinion of Senator Gould and those who believed with him, and it is only now that I am thoroughly convinced that my opinions, and the opinions of those who agreed with me at that time, have been verified. Our predictions have come true. We were led to believe that we were joining in a campaign with the British Army for the purpose of gaining liberty for our fellow countrymen and women in a strange land. That was the opinion expressed by those who were eagerly urging the people of Australia to take part in a dispute that was not their own.

Senator FINDLEY.—And any one who expressed a contrary opinion was howled down.

Senator MCGREGOR.—Those who expressed a contrary opinion were called disloyal, and ungrateful and disobedient children.

Senator FRASER.—Many of them were.

Senator MCGREGOR.—Senator Fraser was only one of a band of fanatics, who had no idea of what the results of their actions were going to be.

Senator FRASER.—The honorable senator would give back the Transvaal to the Boers.

Senator MCGREGOR.—The honorable senator knows that I am too Scotch to give back anything, once I get hold of it.

Senator FRASER.—The honorable senator is more Irish than Scotch.

Senator MCGREGOR.—There was nothing of that kind in my mind, and I am sure there was nothing of that kind in the honorable senator's mind. But honorable senators must recollect that a certain position has arisen in the world, not only in connexion with the relationship of nations towards each other, but of all colonies towards their mother land. They must recollect that even in the private family it has at times been found necessary for children—though with regret and with sorrow—to put their parents into a lunatic asylum. That is what Australia ought to have done with her parent, so far as the interference of Australia was concerned in connexion with the

affairs of South Africa. But we did take action then. Thousands of men, and hundreds of thousands of pounds in money, were spent for the purpose of carrying out the intentions of the British Government as they were represented to us.

Senator DAWSON.—The honorable senator means misspent.

Senator MCGREGOR.—Honorable senators can put their own construction upon it. I am not going to say whether they were well spent or misspent; but the blood of Australia was shed, and the money of Australia was spent.

Senator FINDLEY.—For whom?

Senator FRASER.—For British supremacy.

Senator MCGREGOR.—For the purpose of enabling the financiers of South Africa, the mine-owners on the Rand, to endeavour to-day to get what some honorable senators here would like to get in Australia, Chinese or other inferior labour to supplant their own white brothers, and to take the bread out of the mouths of their wives and families.

Senator FRASER.—Clap-trap.

Senator MCGREGOR.—Honorable senators have expressed themselves in that way. But, seeing that Australia has done this; seeing that there are fathers and mothers in the Commonwealth who mourn the loss of children lying dead in South Africa to-day; and seeing that the taxpayers of this country have contributed to the expenses of that war, I say that, to-day, we have a right to protest against the action of the authorities of the Transvaal in their government, or mis-government, of that country, and of the action of the British Government in backing them up in what they have done in such an unfair way. All that we propose to do is to protest emphatically against the introduction of alien labour into the Transvaal, until such time as a referendum of the white population there is taken, or that country be granted responsible government, so that the people may act upon their own account. Any one who looks into the history of coloured labour as slaves, as bondsmen, or in a state of semi-slavery, such as it is proposed to introduce in the Transvaal, must know that it never brought anything but disaster to any country that adopted it.

Senator DAWSON.—The honorable senator should be very careful. Senator Dobson is watching him.

Senator MCGREGOR.—I know that that honorable and learned senator professes patriotism, but his patriotism is that of the

golden calf, his worship is of the scrip, and his assistance is always given to the man who is going to make a lot of money. It does not matter to the honorable and learned senator in what way the money is made—whether it is made with the assistance of his own fellow-countrymen or with the assistance of the natives of Asia, Africa, the South Sea Islands or anywhere else. I do not know whether that arises from a defective judgment or from a perverse inclination, or from the honorable senator's very bad training. Whatever may be the cause, the fact remains that he is always ready to assist those who are trying to exploit other people. We have only to look back upon the history of the Commonwealth of Australia—leaving aside the experiences of the United States, Great Britain, and the southern portion of the continent of America—to recall the fact that there have been the Frasers, the Dobsons, the Goulds, and other gentlemen of that kind, who for the last fifty years have been continually declaring that the development of our mining industry can never be efficiently carried out except with the assistance of the Chinese.

Senator Lt.-Col. GOULD.—That is untrue as far as I am concerned.

Senator MCGREGOR.—I was not speaking of the honorable and learned senator individually. I might have put Senator Pulsford in the same category, and should still have been speaking the truth.

Senator Lt.-Col. GOULD.—Or the McGregors.

Senator MCGREGOR.—No; those associated with me have always acted in the opposite direction. We were wise enough to bear in mind the precept of the Scripture, that it was not good to take any man into bondage or to associate with heathen race. We have carried out that principle. Statements similar to those now made about the Transvaal, have been made with regard to the resources of Australia. I am sure that Senator Fraser has in his time declared that the pastoral industry could be carried on more efficiently if pastoralists were only allowed to employ Chinese, Japanese, and coolies as boundary-riders and cooks. Upon my word, I should not be surprised if I were told that on some of his properties Senator Fraser even now employed Chinese cooks making hash for his boundary-riders, and even for his aboriginal native employés. But as I have said before, it has been proved that in Australia, no matter whether the mining is shallow, or in

deep sinking, it can be carried out by white labour much more profitably and effectively than by such labour as is to be introduced into the Transvaal. The character of the country and its climate are very similar to the climate and character of Australia. Here we have proved that white labour can do the work. The only part of Australia where mining has been left almost entirely to the Chinese is the Northern Territory. There one meets with the smell of rice and opium and other abominations of that alien race on every hand. But, although some people believe it to be very rich, nothing has been done there in the way of mining except to scratch the surface. My own belief is that mining will never be effectively carried out in the Northern Territory until it is done by white miners. Even upon the Rand mine managers have declared that the white miner—and particularly the Australian miner—is the best man who could be employed in the development of the industry. Some mining managers who have made that declaration have been compelled to resign their positions, on account of it. I have not the least doubt that if Senator Fraser had the power, and if one of his station managers declared that a white man or a white woman could cook better than a Chinese, the honorable senator would give him the sack, or make it so hot for him that he would have to resign. That is what has been done in South Africa, and it would be done in a great many instances in Australia if those holding opposite opinions to myself and my honorable friends had their own way.

Senator FRASER.—I am surprised that the President does not pull the honorable senator up. His speech is merely a tissue of personal reflections.

The PRESIDENT.—I cannot say that Senator McGregor's remarks are not relevant to the matter that he is dealing with. Whether they are in good taste or not is a question that has nothing to do with me. The honorable senator is quite in order.

Senator MCGREGOR.—If Senator Fraser had sat quiet and said nothing, as good little children ought to do, he would not have called attention to himself. But I can assure him that if he, or any of his friends, attempt to interrupt me in a disorderly manner, I shall never ask the President to deal with him. I prefer to deal with them in my own way. But I have no desire to labour this question. I have proved that we have a right to interfere. It can be plainly proved, and is acknowledged by the greater portion of the people

of Australia, that there is no necessity for the introduction of alien or coloured labour, either into Australia or into the Transvaal, or, in fact, into any other part of the world; and that the work can be done more efficiently, and with the greater profit to the country as a nation, without it. Only recently reports have come from South Africa in connexion with the employment of native labour. The chiefs have told the world that there are any number of natives in South Africa who can do the work. But agreements were entered into by the mining companies, or labour agents, to pay the kaffirs £3 a month and their feed, and when they went down to the mines these agreements were violated. Very often the kaffirs were paid only about £2 or £2 10s. a month. The mining companies endeavoured, as far as they could, to keep the kaffirs in a state of poverty, so that it would be absolutely necessary for them to re-engage. It is a disgrace to the governing classes, and to the white population of South Africa, that such things should be allowed to continue. Knowing these things, we consider that we have a right to protest, and we intend to make our protest in as emphatic a manner as possible. With the view of giving other honorable senators a chance of expressing their opinion, and of concluding the business to-day, I shall say no more; but I express the hope that the motion will be carried by a very large majority.

Senator DE LARGIE (Western Australia).—I think that no Parliament is in a better position to offer an opinion upon the introduction of Chinese labour into a country than is the Parliament of Australia.

Senator DOBSON.—Is it in a better position than the Parliament of the Transvaal itself?

Senator DE LARGIE.—The Transvaal unfortunately has no Parliament to express an opinion. That is one of our complaints in the present instance, as Senator Dobson ought to know. Australia has had a very long experience of what Chinese labour is. We have had a sufficiently long experience of the "yellow agony" to warrant us in expressing an opinion as to whether it is wise that that curse should be extended to other countries.

Senator DAWSON.—In Queensland we will not allow the Chinese to enter a gold-field until it has been opened for three years.

Senator DE LARGIE.—In Western Australia we have a similar law to prevent

the Chinese going to the gold-fields, either to do mining or to reside there. We have developed our mines without their assistance, and some of them are lower-grade mines than are the mines of the Transvaal. I have in my mind's eye a mine in Coolgardie, that is paying good dividends on only a quarter of the average yield that is obtained on the Rand gold-fields. That being so, we have had sufficient experience in Australia to warrant us in saying that it is not necessary to employ Chinese labour in order to make mining of this description pay. We are aware that the Transvaal has not got responsible government. It is a Crown Colony. Therefore we are merely doing our duty in giving expression to our opinion as an integral part of the British Empire, and in declaring that we will not give our countenance to this kind of traffic. If the Transvaal were a self-governing Colony I quite agree that we should be going outside our rights in interfering in its internal affairs. But the Transvaal has no Parliament of its own to protest. If it had, I have no doubt whatever as to what its opinion would be. As far as cheap labour is concerned, we are aware that, if it is required at all, there is no necessity for the Transvaal mine-owners to go beyond the labour that they were able to employ in the past. There are as many kaffirs in South Africa to-day as there were before the war. Very few kaffirs were killed during the war. The bulk of them had the "gumption" to keep out of the way of the bullets. In the Transvaal itself there are 700,000 kaffirs; in Cape Colony there are 800,000; in Natal there are 1,000,000; and in Mashonaland there are also 1,000,000. So that there are 3,500,000 kaffirs in South Africa who could be drawn upon if their services were required upon the gold-fields of the Rand. But why are they not being employed? It is simply a question of wages. The fact is that the kaffirs who formerly received 2s. 6d. a day, have had their wages reduced to 1s. 2d. a day. We are told that the so-called law of nature—the law of supply and demand—operates in such a way that whenever labour is scarce wages improve; but while, according to some authorities, there is a scarcity of kaffir labour in South Africa, wages show a downward tendency from 2s. 6d. to 1s. 2d. per day, instead of a tendency to rise to 5s. per day. I have been reading some of the press reports from South Africa, more particularly since the war, and the newspapers make it clear that

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a very large number of white men are unemployed there. In Cape Colony, we are told, the Government have been obliged, in a sort of charitable way, to start relief works on which to employ men at 5s. per day. Many of the men so employed are Australians, and some who have returned tell me that such was the state of affairs that they were glad to get a few days' work even under such circumstances. Are we to increase the sufferings of white people by countenancing the importation of alien labour? Many of the men to whom I refer are miners, and they ought not to be denied an opportunity of getting more creditable employment than that afforded by relief works. If we countenance an influx of Chinese we shall certainly be displacing white men.

Senator DOBSON.—Have the mine-owners refused to employ white men who offered to work in the mines?

Senator DE LARGIE.—I have no doubt that if white men would accept a wage of 1s. 2d. per day they would get employment. Mr. Creswell, late manager of the Village Main Gold-mine in South Africa, was discharged from his position for making public an experiment he tried in order to ascertain the relative value of coloured and white labour. The facts and figures, embodying the result of that experiment were given in evidence before the Royal Commission which inquired into the subject.

Senator DOBSON.—And the Royal Commission emphatically refused to accept Mr. Creswell's conclusions.

Senator DE LARGIE.—The Royal Commission had to accept Mr. Creswell's evidence, though they might report against his conclusions.

Senator DOBSON.—The Royal Commission reported absolutely against Mr. Creswell's evidence.

Senator DE LARGIE.—At all events, Mr. Creswell proved that, in three different branches of labour employed at that particular mine, white labour was cheaper than coloured.

Senator DOBSON.—Did the honorable senator ever hear about the eleven obstinate jurymen? Mr. Creswell proved his case in the same way as did the odd jurymen.

Senator DE LARGIE.—Mr. Creswell enjoyed the confidence of his fellow-men and his employers, and, seeing that he tried the experiment to which I refer, his evidence ought to be worth something.

Senator FINDLEY.—The mine-owners do not want white labour, because white men want votes.

Senator DE LARGIE.—Mr. Creswell in his evidence, showed that in the cyanide branch, the value of the two classes of labour was about equal, and that in the mill work white labour was a little cheaper, while in the underground work, such as stopping, developing, sinking, and driving, the cost was actually 3d. per ton less when performed by the white man. These are the figures of a practical man, who is patriotic enough to desire to see white men employed in preference to Chinamen.

Senator DOBSON.—The honorable senator has apparently not seen the contradiction of that evidence.

Senator DE LARGIE.—I read the report of the Royal Commission, and I saw no evidence which in my opinion was equal in weight to that of Mr. Creswell. I would rather take the word of a practical man of his character than the word of men who are really without experience. Under the Kruger régime these gold-mines were proved to be the richest in the world, with an output of 400,000 ozs. per month; and it is absolute nonsense to say that such mines cannot be worked by white labour in the same way as the Australian mines are worked. There is another aspect of the question to which I should like particularly to draw the attention of those who invest in mining, and wish to see that industry advanced in Australia. There is no doubt that an influx of cheap labour into South Africa would be prejudicial to the mining industry of Australia, seeing that foreign investors would prefer to send their capital to a country where cheap alien labour was procurable. That may be a selfish view, but it is a view which will doubtless appeal with much more force to some honorable senators than would any call upon their patriotism as Britishers or Australians. Australian mining is a speculative business, and to countenance cheap labour in South Africa would be placing a handicap on the local industry. The opinions which I am expressing are held not only by the labour members of this Chamber. In South Africa itself there is a strong feeling against the employment of alien labour, as is shown in a despatch sent by the Governor of Cape Colony, Sir W. T. Hely-Hutchinson, to the Colonial Office, as follows:—

With reference to resolutions passed unanimously in the House of Assembly and Legislative Council last July, expressing strong opposition

to importation of Asiatic labour into South Africa, which were transmitted by cable to the Secretary of State for the Colonies, Ministers have the honour to inform His Excellency that the question was again discussed on Friday in Committee of Supply, when it became apparent that the feeling on subject was, if possible, stronger than before, and Ministers desire to avail themselves of this opportunity to submit their own views on this most important matter for information of Imperial Government. In the first place, it must be remembered that the coloured population to the south of Zambesi River is in an enormous majority compared with the white, and it is most undesirable to increase that preponderance by the introduction of another coloured race, especially at a time when every effort is being made to reduce it by encouraging white immigration. Secondly, Government of this colony is doing all in its power to civilize native population, by inducing them, without any kind of compulsion, to work, and so supply the great demand for labour in South Africa; and, if Asiatics be introduced, that means of civilization will be checked, and the natives will remain in a state of barbarism, from which they are slowly but surely emerging. Thirdly, in relation to the policy of British South African federation, which Ministers are most earnestly pursuing, they cannot but feel that the importation of Asiatics will greatly hamper its consummation, as it will introduce a highly discordant element between the European communities, which will certainly complicate, if not altogether prevent, the union of all the colonies under a central administration. Fourthly, to effect a satisfactory solution of labour question in South Africa, what is required above all is the exercise of patience, for Ministers are firmly convinced that if the continent to the south of the equator be explored, sufficient labour is available, and can be secured, not only for working mines in Transvaal, but for all other requirements, if a fair wage be offered, and considerate treatment in the way of housing and food be accorded. A long experience of South African affairs emboldens Ministers to place the foregoing consideration on record, in belief that it will be received in the (?) spirit which the gravity of question demands, and with hope that His Majesty's Government take a firm stand in this matter, and intimate in the proper quarter their disapproval of a proposal which will, if carried out, prejudicially affect the future of this portion of Empire. Ministers request that this minute may be transmitted to Secretary of State for Colonies by cable.

That despatch appeared in the *London Times* of Tuesday, 2nd February, of this year, and it clearly shows that the feeling amongst politicians in South Africa is undoubtedly against the importation of alien labour. We have been led to believe that the governing classes in South Africa are in favour of the importation of Chinese, but that view is dispelled by the despatch which I have read. At a meeting, presided over by Lord Carrington, held in London, for the purpose of protesting against the cheap-labour movement, a letter from

Sir William Harcourt was read. Lord Carrington was at one time an Australian Governor, and apparently his colonial experience has not been thrown away on him. Amongst those at that meeting were Mr. Sydney Buxton, the well-known Liberal M.P., Mr. Herbert Samuels, M.P., Dr. Macnamara, M.P., Mr. R. Bell, M.P., Mr. Creswell, of the Village Main Mine, Mr. Keir Hardy, M.P., Mr. Trevelyan, M.P., and a host of others, including a member of this Chamber, Senator Matheson, who, I am glad to say, expressed true Australian sentiments. The letter from Sir William Harcourt is in terms much stronger than any used in the course of this debate; and when we find an English statesman of such standing speaking in such a strain, we may be sure there is good reason for protesting against the Chinese influx into South Africa. The letter which was published in the *Times* is as follows:—

I am glad to know that a meeting is to be held to denounce the introduction of Chinese labour into the Transvaal. I deeply regret that I am suffering from a cold which prevents me from being with you to speak on a subject in which I have long taken a profound interest, and to raise my voice against this abominable project. I confess I cannot conceive how it was possible that any man with the instincts of British freedom could be found to put his hands to such a document as the ordinance for establishing such a code of serfdom as the basis of the principal industry in the newest colony of the Empire bought at the price of tens of thousands of lives and hundreds of millions of money. The great self-governing colonies of Australia and New Zealand, who have had bitter experience of this "yellow peril," with one voice cry, "Shame upon us." They justly regard this as a foul blot upon this noble title of a British Colony of which they are proud. It seems to lower that name in the estimation of the world. It is idle to contend that this is not an Imperial question. The policy of a Crown Colony is determined by the Executive Government at the headquarters of the Empire. By what right do they attempt to shirk their own responsibility by professing to interpret this wish as of a self-governing state? Why do they not allow the colony that self-government in a matter upon which its whole future depends? Even the promoters of the scheme admit that the thing is in itself detestable, but the future of this vast and devastated territory is to be sacrificed to the impatient greed of the speculators in gold, who cannot wait to redeem their industry from the consequences of their own cupidity. They scared away the natural supply of native labour by taking advantage of the advent of British rule to cut down by one half the wages of the kaffir miners, a thing which they were never able to accomplish under the former government of the Transvaal.

That looks as if the position under Kruger was not so bad as the daily press told us.

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They have suffered and are still suffering from this egregious act of folly and injustice. They have been compelled to retrace their steps, and by degrees the output of gold is nearly though slowly attaining to the level at which it stood under the government of the Dutch Republic. The dire distress in South Africa arises not mainly from deficiency in the output of gold, but is the consequence of a destructive war. We are told the Stock Exchange is starving for a boom to give a fictitious value once more to worthless enterprises.

No doubt they have some "wild cats" which they wish to get off their hands, and that is one way in which they hope to foist them on to the market.

In the interests of low grade ore we must found a low grade colony. Every other industry is to be treated as nought, and the gold mines are to be manned, not by men, but by animals in human form, who are to be treated as if they were pariahs, not fit to be at large, as lepers infected with some foul disease, compelled to cry "Unclean, unclean." What right has a British Government to create, of its own authority, such a staple industry for a British colony, for whose future it is directly responsible? The neighbouring colony of the Cape, divided on all other questions, is unanimous on this. It is preparing to fortify its frontier as it were against an invading enemy. And this is a South Africa which, it is said, you desire to federate. Rest assured that the Cape Colony will never federate with a Chinese-stricken province. For the kaffir native population we have some hopes that the contact with British freedom will do something to raise them in the scale of civilization, but to these Chinese bondsmen what prospect do we offer but a deeper degradation in a condition from which they are prohibited to emerge? It is impossible to contemplate such a prospect without indignation and disgust. It is reaction in its vilest shape, and throwing back the moral sense of the nation a whole century since the final emancipation of the slaves. I know not whether the Government can command a majority to force upon us this shame, but it cannot be long before the nation must be consulted, and there will be no issue on which its conscience will be more deeply moved, and more strongly resolved, than to purge the Empire from this outrage on the freedom of labour.

I think that letter from the pen of Sir William Vernon Harcourt expresses the true sentiment of every Britisher who wishes to see the Britisher get an opportunity of living in South Africa. We have enough to answer for in that country. Our crimes as a nation are sufficiently great already, and I think that we should pause before we force upon that country another curse. I hope that a very strong protest will go forth from this Parliament. I should like to see no opposition offered to the motion, so that the Imperial authorities may know that we feel strongly on a matter of which we have had some experience, and may

take time by the forelock, and prevent an influx of Chinese into South Africa.

Senator Lt.-Col. GOULD (New South Wales).—I listened with great attention to the speeches of Senators McGregor and de Largie. It might be just as well, perhaps, to take exception to a good deal of the hectoring and lecturing by Senator McGregor of a few honorable senators who interjected once or twice, and one honorable senator who did not interject at all, and the mere mention of whose name to him seems to be quite sufficient to agitate him, as well as others. I believe that there is not one of us but has a desire to as far as possible see white labour employed in all the industries of this or any other country which is inhabited by a white population. It is quite futile to attempt to mislead the public by saying that any honorable senators would prefer to see the mines or the industries of this country worked by alien or coloured labour in preference to their own white brethren.

Senator MCGREGOR.—They have said so.

Senator GIVENS.—They have said that it is blackfellow's work.

Senator Lt.-Col. GOULD.—I do not believe that to be the case.

Senator MCGREGOR.—Oh, but they voted in that way.

Senator Lt.-Col. GOULD.—I have seen a statement of that kind made, but I have never seen any proof of its correctness given.

Senator MCGREGOR.—Take their votes.

Senator Lt.-Col. GOULD.—I know that in Australia there is a very strong feeling on this question. I also know that, in this Parliament, there is a very strong feeling against any interference with its rights or its legislation.

Senator DAWSON.—Does the honorable and learned senator know that, in South Africa, those who are in favour of Chinese labour say that it has been proved to be good, because Australian mining was developed by Chinese labour?

Senator Lt.-Col. GOULD.—So far as my knowledge goes, the statement is wrong. I have never recognised that we owed to the Chinese the development of our gold-fields. I have always understood that they were developed by the bone and sinew of the British race. I know that many Chinese have mined here, but we do not owe the greatness of the industry to their labours. I do not believe that this Parliament would

tolerate any direct attempt to interfere with any legislation which it might have passed, which it considered in the best interests of this country. If the House of Commons were to pass a resolution to-morrow, telling the Commonwealth Government that it disapproved of some legislation which had been passed here during the last three years, how would it be treated? The Commonwealth Government would say—"We are supreme here. Within the powers given to us for governing our community, it is our right to determine what is best in our own interest." Legislation might be passed which I did not believe to be right and just in the interests of the community, but I should never be one to sanction any interference with the express will of this Parliament. We are asked by resolution to object to certain action which has been taken in a Crown Colony? There is no question that the Imperial Government cannot disclaim responsibility, inasmuch as the legislation was reserved for the Royal assent. They had the right to say "yes" or "no" to the Bill when it was reserved. I know that in ordinary cases they do not like to unduly interfere with any legislation which may be determined upon by any Colony, be it a self-governing Colony or a Crown Colony. But there is a right on the part of the citizens in South Africa to bring this matter most strongly under the attention of the Imperial authorities with a view to induce them to act in such a way as they may think most consonant with the interests of the community at large. We are asked by Senator McGregor to take an unsafe step. I wish any determination of either House of this Parliament to be one that will be respected outside. I do not wish to see the Commonwealth placed in the position into which the Government unwittingly found themselves drawn when, in conjunction with the Premier of New Zealand, they submitted a protest against the employment of Chinese labour, and received a snub in return. Certainly it was a very courteously-worded snub, but nevertheless it was equivalent to telling the Government that it was not a matter in which they had a right to interfere as a Government.

Senator PLAYFORD.—No. I will just read what they said in the despatch—

Fully recognise the title of all the self-governing Colonies to explain their opinion on so important a question, and especially of those who, like New Zealand, have rendered memorable services in the South African war.

That extract shows that the Imperial Government did not snub the Commonwealth or New Zealand.

Senator Lt.-Col. GOULD.—But what does the despatch go on to say? Virtually this—"While we recognise that, we are not going to pay any attention to or to be guided by your request." I will not offer an opinion as to whether it is wise or unwise for the Transvaal Government to take the course which they are adopting, because I do not know the circumstances sufficiently well to enable me to give a correct opinion. Personally, I do not like their action.

Senator FINDLEY.—The honorable and learned senator's sympathies ought to be in favour of white men as against black men.

Senator Lt.-Col. GOULD.—My sympathies are well known to be in favour of employing white labour. At the same time I have not sufficient information to enable me to judge whether it would be wise for us to enter this protest; while we will be laying down a rule which may at some future time be taken advantage of by some other Colony for the purpose of attempting to teach us how we should conduct our legislation. I am sure that no one here wishes to give an opportunity of this kind. The motion begs the main question, because it says—

That this House emphatically protests against the introduction of Chinese labour into the Transvaal until a referendum of the white population of that Colony has been taken on the subject or responsible government is granted.

It simply says that we only protest against the employment of Chinese labour until a certain thing has happened, and that then the Transvaal Government may do as they like. Practically, we say to that Government—"If you should then think that the employment of black or coloured labour is advisable in your mines, we shall have no more to say on the subject." But I understand that the protest is really directed by the Labour Party against the employment of coloured labour under any circumstances, on the ground that it is undesirable. I believe that the members of the Labour Party would say that they would sooner see the mines closed down than have them worked by other than white labour, fairly and reasonably paid.

Senator O'KEEFE.—They would not say so if a free Government responsible to the people in the Transvaal decided to have Chinese.

Senator Lt.-Col. GOULD.—With all respect to the honorable senator, I think he

is begging the question when he takes up that attitude. Senator de Largie, in his speech, proved rather too much. According to his own conclusions, he has proved that it is cheaper to man the whole of the mines with white than with coloured labour. If that is the case, must not the mine-owners be absolutely without sense or brains in desiring to employ coloured labour if it will be more expensive than white?

Senator FINDLEY.—The white men want votes.

Senator PEARCE.—It will be more servile. Coloured men do not want votes, and they never form Labour Parties.

Senator Lt.-Col. GOULD.—I do not think they bother much about that.

Senator FINDLEY.—Lord Harris did.

Senator Lt.-Col. GOULD.—According to honorable senators, the men of whom I am speaking desire to get as much out of their mines as they can, and if they can work them more cheaply with white than with coloured labour, they will employ the former.

Senator DE LARGIE.—The black labour that the test was made with was paid at 2s. 6d. a day, whilst the wages now proposed to be paid to the coloured labour is only 2s. 1d. per day. Chinese labour, I suppose, will be quite as cheap.

Senator Lt.-Col. GOULD.—I do not know at what rates they will be able to secure the Chinese. I feel confident, from what we hear of the position of affairs in the old country at the present time, that further inquiries will be made in connexion with this matter. We know that the Bill has been assented to, but only upon the understanding that no action is to be taken at present. There must be some reason for this. While I feel a considerable amount of sympathy with the object of the mover of the motion, I think that he is urging us to enter a region we have no business to enter, and he is asking us to do something which will have no effect.

Senator MCGREGOR.—Yes, it will.

Senator FINDLEY.—What we did during the war, when we sent contingents to support Great Britain, had a good deal of effect.

Senator Lt.-Col. GOULD.—That was a very different matter. A war was going on, and we sent our men to take part in it.

Senator GIVENS.—This is a war of races.

Senator Lt.-Col. GOULD.—In the war our men were fighting alongside British troops for the maintenance of British supremacy and British rule, and that is

very different to what is now proposed by Senator McGregor. I do not believe that the mere fact of our having sent troops at that particular time is a reason why we should interfere with proposed legislation in the Transvaal.

Senator FINDLEY.—The war was ostensibly for the purpose of extending wider liberties to people of the white race, and now it is proposed that white people shall not be employed in the Transvaal because they desire to have the franchise.

Senator Lt.-Col. GOULD.—Other reasons than the employment of white labour were at the back of the war in the Transvaal. It is not worth while going into the history of the war. It would take too long to discuss it; there would probably be a great deal of difference of opinion on the subject, and we do not at this stage require to discuss whether the Transvaal war was right or wrong. The war took place, and we in the Commonwealth, rightly took part with our own race in that war.

Senator GIVENS.—We have a right to take part in this matter, too.

Senator Lt.-Col. GOULD.—I think not. I know that some honorable senators hold a strong opinion to the contrary, and I concede to them as much right to their opinion as I have to mine. I have stated the reason for which it appears to me to be unwise to submit a motion of this character. I do not see how we are going to get any satisfaction out of it. At the same time I do not wish honorable senators to think that I am not in sympathy with the employment, as far as possible, of our white brethren under reasonable conditions and at proper wages.

Senator STANIFORTH SMITH (Western Australia).—It is my intention to support the motion. In doing so I do not intend to go into ancient history, and deal with the vexed questions arising out of the *pros* and *cons* of the Boer war. I think we should be well advised if we left them out of this discussion. I desire to see the motion carried unanimously, and it will be of no use to inflame adverse feeling by the introduction of extraneous matter. Senator Gould, in his able speech, has stated that he believes that we have no right to interfere in the Transvaal at this stage. Surely, if we were justified in interfering in the Transvaal when it was an independent republic, in order to alter the condition of affairs there, we have a greater right now to suggest that the existing state of affairs shall continue until the people of that

country are given responsible government, seeing that the Transvaal is now a portion of the British Empire. No one can refute a statement like that. The British Empire spent £250,000,000, and 23,000 lives were lost, in obtaining for the people of the Transvaal the right to conduct their own affairs.

Senator FINDLEY.—That is what was alleged.

Senator STANIFORTH SMITH.—That was the reason given. It was in order to clothe the Uitlanders of the Transvaal with the rights of citizenship; and have we not now the right to ask that such an important and revolutionary proposal, which will have such tremendous effects upon the destinies of South Africa, as the proposed introduction of alien labour into the Transvaal, shall not be given effect to until the people of the Transvaal have acquired that citizenship for which we fought?

Senator FINDLEY.—It has an important bearing upon the whole of the Empire.

Senator STANIFORTH SMITH.—We fought in order to give those people citizenship. Now it is proposed by a nominee Legislative Council that this great racial question shall be thrust upon them at a time when not only the Uitlanders are refused the rights of citizenship, but when the Boers who previously had those rights, are also refused them. The condition of the Transvaal is at present that of a Crown Colony. That was inevitable for a time after the conclusion of a great racial war. But when we find the people of that country protesting against the introduction of alien labour in the way proposed, and when we find that the Parliament of Cape Colony has strongly protested against a class of immigration which they feel will be injurious to the best interests of South Africa as a whole, surely, as the Commonwealth Parliament of Australia, we have a right to warn the authorities, and to protest against action being taken in so important a matter when the citizens of South Africa have not been consulted? I have seen the question asked in the newspapers whether we would like the Legislative Council of the Transvaal to dictate to us with respect to our policy in connexion with coloured races.

Senator PLAYFORD.—We do not dictate. All that is proposed is that we shall protest.

Senator STANIFORTH SMITH.—Exactly. There is no parallel whatever.

The Legislative Council of the Transvaal, which is a purely nominee body of Lord Milner's, is composed mostly of civil servants. The members of the Council are merely his automata. Lord Milner was appointed by the Imperial authorities, and he appointed certain civil servants to assist him. They would not and dare not propose resolutions contrary to the views of the authority that created them.

Senator DOBSON.—I do not think that one-half of the members are civil servants. The Council is composed of representative men of all descriptions.

Senator PLAYFORD.—There are Boers amongst them.

Senator FINDLEY.—They are representatives of the mining magnates.

Senator STANIFORTH SMITH.—I think the majority of them are civil servants, and they will not oppose any project which Lord Milner strenuously urges. I have always contended that, if it is desired that South Africa should be a strength and not a weakness to Great Britain, it can only be brought about in one way, and that is by providing that the British shall be the preponderating white race in the country. The Dutch at the present time are numerically the preponderating white race, and if the South African Colonies are to become a strength to the British Empire, it can only be by having a majority of the white population of the country bound to the interests of the Empire by blood, language, and community of interest. No Colony or Dependency in which these conditions do not prevail is a strength to the country to which it belongs. I am certain that to flood South Africa with a muddy stream of alien immigration is the one effective way in which to stop white immigration, and to make South Africa a menace instead of a strength to the Empire.

Senator O'KEEFE.—White men are now getting away from the place as fast as they can.

Senator FINDLEY.—It will create a revolution eventually.

Senator STANIFORTH SMITH.—It will not only stop British people going to South Africa, but it will throw those who are there into the arms of the Boers, in violent protest against the wrong that is being done them. I am surprised at the action of the Imperial authorities, when I consider the statements made by persons in high places prior to the introduction of

this question. The present Secretary of State for the Colonies said some time ago—

The policy of the Government is to treat the Transvaal as though it were a self-governing colony, unless a distinctly Imperial interest is concerned.

In other words, the intention was to consult the wishes of the people of South Africa, unless in connexion with a matter vitally affecting the Empire as a whole. Can it be said that it is to the interest of the Empire at large that coloured aliens should be introduced into the Transvaal? It is unthinkable. What did Mr. Chamberlain himself say to Lord Milner? These are his words—

Before I assented to any introduction of Asiatic labour, whether Chinese or Indian, I must have reasonable proof that it is a policy which the Transvaal, if a self-governing colony, would approve.

Senator PLAYFORD.—That is the contention now. It is said that if the people of the Transvaal were polled to-morrow a large majority of the white population would favour the proposal made.

Senator STANIFORTH SMITH.—Then why refuse the referendum?

Senator PLAYFORD.—I do not know that it has ever been asked for.

Senator STANIFORTH SMITH.—I have referred to statements made by people who have spoken on behalf of the Imperial Government, and the opinion of the people of the Transvaal could be discovered by a referendum.

Senator Lt.-Col. GOULD.—There are no rolls prepared by which a referendum could be taken.

Senator PLAYFORD.—Has a referendum ever been asked for?

Senator STANIFORTH SMITH.—At a public meeting held in Cape Colony a referendum was asked for.

Senator PLAYFORD.—Was it ever asked for in the Transvaal?

Senator STANIFORTH SMITH.—A meeting held at the Wanderers' Club in Johannesburg was called for the purpose of protesting against the proposed introduction of Chinese, and it was broken up by the Rand magnates.

Senator FINDLEY.—Hear, hear; by the 15s. a night roughs.

Senator PLAYFORD.—Have the people of the Transvaal asked for a referendum?

Senator STANIFORTH SMITH.—They have; they held meetings to protest against the action of the authorities.

Senator PEARCE.—They did so at Johannesburg. Senator Findley quoted the reference.

Senator STANIFORTH SMITH.—What reception has the proposal met with in Great Britain? I venture to say, without fear of contradiction, that a majority of the people of Great Britain are opposed to this iniquitous proposal.

Senator PLAYFORD.—I believe they are. The House of Commons very nearly rejected it.

Senator STANIFORTH SMITH.—A Mr. Samuel, a private member, introduced an amendment to the Address in Reply in the House of Commons protesting against the introduction of coloured labour into the Transvaal. After a debate, the Government only won by a majority of twenty-nine votes—the nearest approach to defeat that the present British Government has ever sustained. A positive defeat was only averted by the fact that a large number of unionists refrained from voting. It must be remembered that the Government in the House of Commons has a majority of about 100. Thus we can see what the real feeling in the Imperial Parliament is. Sir Henry Campbell-Bannerman, the leader of the Opposition, in the course of his speech on 2nd February, said—

The inhabitants of the colony ought not to be committed to a line of action which must irrevocably affect their future without their undoubted and expressed consent.

That seems to sum up the position exactly. If the Transvaal had a full system of responsible government, as we have in Australia, and its Parliament said—"We want to introduce Chinese," we should have no right to interfere. But the Transvaal is a Crown Colony. We have precedents within the British Empire where the Imperial authorities have requested the self-governing Colonies to give their views with regard to questions affecting Crown Colonies.

Senator Lt.-Col. GOULD.—Has the Imperial Government done so in this instance?

Senator STANIFORTH SMITH.—In his reply to the New Zealand Government the Colonial Secretary has said that the Imperial Government welcomes the opinions and views of the self-governing Colonies. The Johannesburg correspondent of the *Times*, writing on the 15th January last year, said—

By admitting the Chinese into this country we may be laying up for our descendants a heritage of misfortune before which the immediate prosperity

of the colony subsequent on the step will sink into insignificance.

I have no hesitation in saying that if this iniquity is perpetrated, and if 200,000 Chinese are allowed to flood South Africa, the Uitlanders will be suffering under a far more grievous wrong than it is alleged they had to endure whilst under Boer rule. Mr. Wybergh, the late Commissioner for Mines in the Transvaal, who, I should think, would know all the conditions and requirements there as well as any one, resigned his office rather than agree to what he described as "this iniquity." The London *Spectator*, which, I suppose, is one of the most conservative and Imperialistic newspapers in Great Britain, characterizes the proposal to introduce the Chinese as a "plunge back into barbarism." What is the necessity for this "plunge back into barbarism"? The natives employed before the war numbered 98,000. The natives actually employed to-day number between 70,000 and 80,000—not a very large difference. They are employed, as Senator de Largie pointed out, at one-half the wages that they formerly received. These grasping capitalists, when the war was on, took advantage of the opportunity to reduce the wages of the kaffirs by one-half. In the Transvaal the coloured population, as compared with the white, is as three to one; in Natal the proportion is as thirteen to one; in the Orange River Colony two-thirds of the population are coloured people; and in Rhodesia there are 500,000 coloured people to 11,000 whites. Surely there is enough there for the greatest gourmand for coloured labour. There should be enough to suit even the great magnates of the Rand. But on the top of that they propose to introduce 200,000 Chinese to swamp the little population of whites; for the 50,000 Chinese with which they propose to commence, is only a start. Not only is there already an immense coloured population in South Africa, but we have it on the best testimony that if it were not for political reasons the mine-owners could use white labour just as well as coloured labour. That such is the case is proved by the experience of Western Australia. The largest English firm there, Messrs. Bewick, Moring, and Co., have proved that they can extract gold more cheaply in Western Australian than it can be extracted in the Transvaal with coloured labour. We have to bear in mind also that the lodes in Western Australia are not so

broad and continuous, and that the ore is more refractory than is the case in the Transvaal. I do not intend to repeat the figures which have been quoted by Senator de Largie with regard to the cost of extraction, though I have particulars in regard to cyaniding, labour, and machine-drilling work. But there is one matter which Senator de Largie did not mention, and that is that the cost of extraction in the Transvaal has been considerably reduced as the result of the abolition of the dynamite monopoly. Mr. Creswell points out that the price that he was actually paying for unskilled white labour was less than the cost of employing kaffirs in 1898. He works it out in this way— for kaffirs, 6s. 4.3d. per ton in 1899; for white labour, 6s. 9.4d. per ton in 1893. So that there is an increased cost of 5d. per ton between kaffir and white labour. When we consider that the dynamite monopoly has been broken up, that the cost of extraction is cheaper now than it was before the war with coloured labour, and also that the Delagoa Bay railway charges have been enormously reduced, it is quite evident that the statement that it would not pay to use white labour is unfounded. We have also to remember, as was pointed out the other day by an honorable senator, that the Transvaal mines are the best paying mines in the world. Several of them are paying 50 and 60 per cent. Some pay 100 per cent., and another 178½ per cent. profit. If these were struggling mines like some of those in Victoria, the owners of which have not received dividends for twenty years, we could understand their anxiety to reduce the cost of extraction. in some way. They have infinitely greater reasons for asking for the introduction of coloured labour than have the millionaires of the Rand. Yet they would not think of asking for it. We know what the real object of the introduction of Chinese labour is. It was disclosed in a letter to Mr. Creswell, which it was never intended should see the light of day. That letter clearly set out that it was not the expense that was objected to, but the mine-owners did not want a large white population there. They did not want labour organizations, and they said plainly that they did not want the same labour troubles as have occurred in Australia. The object, as is apparent to any one, is political and not economic. Let it be remembered also that one of the conditions in the settlement arrived at after the war was that there should

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not be anything like a tax on landed property in the Transvaal. I contend that it would be a most scandalous thing if those mine-owners, whose position has been so enormously benefited by the conditions that have been brought about, were allowed to have their way. They are given all these advantages, and yet they want to damn South Africa, as far as concerns white settlement, and to swamp it with an alien horde of people, in order to swell their own money-bags, and to secure for themselves the political control of the country.

Senator GIVENS.—The millionaires are mostly aliens themselves.

Senator STANIFORTH SMITH. — They are mostly continental Jews. It is worth knowing that the mine of which Mr. Creswell was the manager was not the only one that was worked with white labour, but all reference to other mines worked in the same way was suppressed by the South African Labour Commission. Senator Dobson questioned the figures quoted by Senator de Largie, and doubted whether they were reliable. Now Mr. Robeson, the consulting engineer for Messrs. Eckstein and Co., one of the largest mine proprietaries in South Africa, was engaged with two clerks for nine days in going through Mr. Creswell's figures in order to see if they could be refuted. Yet Mr. Robeson and his two clerks were unable to point to a single error made by him. It must, therefore, be admitted that his figures were absolutely correct.

Senator DOBSON.—I have seen the statement in the *Times* that Mr. Creswell's figures were denied, and Mr. Robeson is quoted as denying them.

Senator STANIFORTH SMITH.—I will quote from a letter by Mr. Creswell in the *Times*, in which he points out, as I have said, that though Mr. Robeson and two clerks spent nine days in investigating his figures, they have never been disproved. We must remember the enormous difficulties that Mr. Creswell had to contend with. He points out that—

These results obtained by white labour were obtained in the teeth of difficulties altogether beyond the natural difficulties of the work. My position in the matter was that of a man, who, if he fails, fails badly, and if he succeeds, only succeeds in proving a fact most unpalatable to the ruling powers.

I think that the proposal to introduce Chinese upon the Rand has shocked the moral sensibilities of the whole of the

people of the British Empire. The idea of precluding our own flesh and blood from those great colonies is thoroughly discreditable. What has been Great Britain's object in acquiring colonies? The true colonizing theory is that a country sends out her own flesh and blood, and affords them elbow-room and opportunities for expansion. But with the aid of a few millionaires the British Government at present is absolutely prohibiting British colonists from going to South Africa, and is permitting the substitution of tens of thousands of Chinese instead. This is being done for the benefit of the financial magnates, who have a monopoly of the Rand, a monopoly of the gold, a monopoly of the press, and now desire to have a monopoly of humanity.

Senator O'KEEFE (Tasmania). — I shall support the motion, because, to use the words of the *Times*, the interests of the Transvaal are identical with the best interests of the Empire; and, seeing that Australia is part of the British Empire, I hold that consequently the interests of the Transvaal are identical with the interests of Australia. In my opinion we, as the representatives of the Australian people, have an undoubted right to enter this protest—a right which will be challenged only by those who, from an economic stand-point, believe that these mines ought to be developed with cheap labour. Within the last three years we had leaders of public opinion in Australia claiming that we were only doing our duty in sending contingents and money to assist the Empire during the struggle in South Africa. Yet, as I said, the other day, it is strange that at the present moment we do not hear the voices of these political leaders of Australia raised in denunciation of a proposal to introduce hordes of Chinese into the Transvaal. Amongst the senators who have spoken on this question this afternoon, Senator Gould is the only one who has dissented from the view put forward by Senator McGregor.

Senator GRAY.—I think Senator Gould's view is that the motion is inopportune, and will do no good.

Senator O'KEEFE.—Senator Gould dissents from the motion because he doubts the wisdom of Australia interfering. I am sorry Senator Gould is not present, because I should like him to hear the opinion of a large number of people who live, as it were, at the front door of the Transvaal, and are thus in a position to be better acquainted with the facts than we are in

Australia. According to the *Johannesburg Star* of the 21st December, a meeting, attended by 4,000 people, was held at the Good Hope Hall at Cape Town, to protest against the introduction of Asiatics into Africa. I shall not weary the Senate by reading the resolutions which were passed, but merely say that a motion protesting against the proposal to import Chinese was carried almost unanimously. In order to accentuate the feeling shown at the meeting, I may tell the Senate that an amendment deprecating, as Senator Gould deprecates, any interference with the affairs of the Chinese of the Transvaal, but pledging the meeting to oppose the introduction of Chinese into Cape Colony, was negatived, only about 100 hands being held up in its favour, while the original motion was carried against not more than 50 dissentients. Now, as showing the feeling in the very heart of the Transvaal, I think it advisable to read one or two brief extracts from a letter received by me the other day, from an old Tasmanian, who has been engaged in mining of different kinds, mostly gold mining, all his life, and who went to South Africa some months ago. The letter contains the following:—

The Transvaal is run by not more than 150 English and German Jews, who, to a great extent, own the only three papers published here, and have hundreds of paid hirelings to attend any public meetings where their deeds are likely to be shown up, to howl the speakers down.

These statements are entirely in accord with those made by Senator Findley when speaking last week on the Address in Reply, and yet his information came from an entirely different source. The letter proceeds—

At one meeting held in Johannesburg, which was for the purpose of petitioning the so-called Government—

That refers to the nominee Government.

—to have a referendum as to whether we should have Chinese or not, they had special trains running, and paid the men's fares, and 15s. and 20s. each, to howl down the speakers at the meeting, and did their best to take forcible possession of the platform. I never witnessed anything more disgraceful. They were successful in stopping any resolution being put, and the meeting broke up in disorder. There must have been 6,000 people there.

Here is another extract—

To be brief and to the point, they can do as they please with the country.

The writer means the few people who own nearly all the newspapers, and who, as mining magnates, with a pecuniary interest

in the question, do not care one jot for the future of South Africa from a national stand-point.

They have a nominee Parliament, which is constituted of a vast majority of their own men, with Joe Chamberlain at their back. They know well if they give a representative Parliament here they are done. Now, the latest about these Chinamen: they have had their hole-and-corner meetings at the mines, with the mine manager chairman, and taken votes, say, of 40 to 200 who attended, whereby, if it had been a free and open meeting for and against, there would have been at the said meetings 200 to 1,000; but these meetings were convened for Chinamen. Their papers (that's the whole) had great headlines of the successful meetings in the mining districts. The miners were going to get up opposition meetings, but the general opinion is that the Home Government will take no action until we have a people's Parliament. The latest game they have tried is to have petitions in the Mines Secretary's Office, also one in the Mines Store, and notices posted up requesting workmen to call and sign, with instructions to their shift bosses to see they do. Did you ever hear of such intimidation? The natural result is, those who refuse to sign will be dismissed the first opportunity. I am pleased to inform you that I am one of them.

That letter is written by a man who is not in the habit of making wild statements; but whose word may be safely relied on, and he clearly shows the little tricks which are being resorted to by the mining magnates in order to stifle any expression of opinion by the white people of South Africa. Those of us who are in favour of the motion could, if such a step were necessary, and we had time, cite dozens of instances showing that it is absolutely true the authorities are afraid to take a referendum. The meeting held in London, at which some thousands of people attended, and which represented the opinion, I believe, of a large number of the people of England, has already been referred to. The meeting was presided over by Lord Carrington, an ex-Governor in Australia, and was addressed by Mr. Sydney Buxton, M.P., Major Seely, M.P., Mr. R. Bell, M.P., Senator Matheson, and others. There is no representative government in the Transvaal, and as a large number of Australians are amongst the white population, and as, further, the bones of many Australians are now whitening on the veldt, or lying beneath the soil in South Africa—seeing that Australia spent blood and treasure in that country—it seems monstrous that any benefit which might accrue, should be taken away from the white men merely in order to put a few extra thousands into the pockets of the rich mine owners. I am strongly of opinion that a vast majority of the white people in South

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Africa would, if they were given an opportunity, cast their votes against the cheap-labour proposal. If the nominee Government, with Mr. Chamberlain, or anybody else behind them, are not afraid of the voice of the white people, why is the referendum refused?

Senator PLAYFORD.—Mr. Chamberlain is not there now.

Senator O'KEEFE.—But Mr. Chamberlain wields very great influence, and I believe he was in power when the movement started.

Senator PLAYFORD.—And Mr. Chamberlain said he would not approve of the importation of Chinese, unless he believed such a step to be agreeable to the will of the majority of the South African people.

Senator O'KEEFE.—If Mr. Chamberlain was genuine in that utterance—

Senator PLAYFORD.—What can Mr. Chamberlain do now?

Senator O'KEEFE.—Such is Mr. Chamberlain's influence with the Imperial authorities, that if he were to declare himself in favour of a referendum, I believe that that mode of ascertaining the opinion of the people would be adopted. I know that Mr. Chamberlain was Secretary of State for the Colonies when the cheap-labour movement was started, though he may not have been in that position when the scheme was first published in Australia. We know that Mr. Chamberlain agrees with the idea of introducing cheap labour, he having been led away by the cry of the mining magnates that the mines would otherwise be ruined. Irrefutable evidence has been brought to Australia, and is being placed before the Imperial authorities every day, that if the old rate of wages paid to the kaffir boys had been maintained there would have been no need to talk about introducing Chinese labour. But as Senator de Largie pointed out, the kaffir boys refused to work for the lower rate of wages which was offered; and hence we have this cheap Chinese scheme. I trust that a similar motion to that now before us will be carried by every State Parliament under the Southern Cross. I feel sure the motion would be carried by the Senate, and I hope a similar motion will be adopted by another place. It is idle to say that this is an unwarrantable interference on the part of Australia. Thousands of people in Australia have relatives living in South Africa, and, as I have already said, Australian blood and money helped the Empire in the recent struggle. Under these circumstances, surely

the Australian people have the right to express an opinion on a question so momentous. We are entering our protest against what we believe would prove a vile wrong to the white people of South Africa. And there is another consideration. If the Commonwealth Parliament, as the mouth-piece of Australia, do not protest, and if the States Parliaments and the public men of the Commonwealth do not join in the protest, the time may come when some of those mining magnates will obtain an interest in the mining industry of Australia, and make proposals for the introduction of cheap alien labour to these shores. It is not very long ago since the director of a big mining company in North Queensland openly expressed the opinion at a directors' meeting that the mines in that part of the Commonwealth could be worked at a profit if the proprietors were allowed to employ cheap labour. So that this thing has been thought of by some of the mining people of Australia. We know that the movement is always growing for the introduction of British capital for investment in Australian mines. With British capital we introduce British ideas, and if British ideas are to be carried out in South Africa in the form which is proposed, then a time will come, probably sooner than we imagine, when similar ideas will be sought to be given effect to in Australia. On behalf of the white miners of South Africa, many of whom I know, I have much pleasure in voicing my protest against this iniquitous proposal, and in supporting the motion.

Senator PULSFORD (New South Wales).—I do not know that I have any objection to the wording and the policy of this motion; but I have the strongest possible objection to the use which Senator McGregor made of the motion, and I resent very strongly the slurs—and that is a very weak word to use—which he thought fit to throw at myself and others.

Senator MCGREGOR.—The honorable senator and his black brothers.

Senator PULSFORD. — The motion affords me an opportunity of making a little clearer, if it be necessary, to some honorable senators my position in the matter of Asiatics generally. It is only a week ago since I was speaking here, as earnestly as I could, on behalf of a recognition of what was due to Asiatics as men, and it is largely because I recognise in Asiatics what Senator McGregor calls my brothers that I am

willing for that phrase to be fitted on to me. Because I recognise them as such, I object to what is proposed to be done in South Africa. I approach this subject from a point of view widely different from that taken by Senator McGregor. I hurl no slurs at the Chinese. I do not say that they are a disgrace to humanity.

Senator MCGREGOR.—I never said that. What I said was that the white men who encourage Chinese instead of their own flesh and blood are a disgrace to humanity.

Senator PULSFORD.—The honorable senator has missed very few opportunities of inciting the feeling of honorable senators against the Asiatic race.

Senator MCGREGOR.—No; the honorable senator is making a mistake.

Senator PULSFORD. — It has been against the tone of the honorable senator's remarks that I have continually had to protest. On every possible occasion I shall do all I can to bring about in Australia some recognition of what we owe to the coloured races. When Senator Smith said he believed that public feeling in England was almost wholly against this proposal, I interjected that I thought he was right. I believe it is the case. I received this week a newspaper with a quotation from a speech by Mr. John Morley, who bulks rather largely in English political life. Speaking on the 18th January, at Arbroath, in Scotland, on the Chinese labour proposals, he said—

I wonder if it will occur to you what a piece of irony it is that this situation has been brought about by action in which British colonists took a fighting part, British colonists who, in their own countries, in Australia and other Colonies, will not allow a Chinaman to set his foot. Does not that strike you as rather ironical, that the result of all their efforts has been to set up a situation in South Africa that they would not tolerate for one single moment in their own countries? We were told that the war was justified by the necessity of opposing—what? The retrograde civilization of the Boers, that we were going to introduce a civilized policy against their retrograde civilization. Is Chinese labour, I want to know, civilized, or is it retrograde, as I am sure you all think? Well, then, do not let us say that that war was justified because we were going to erect a great civilization against a retrograde civilization. One word more upon that, and it is the only one I want to make. A great argument during the time of the war was that you would have a united South Africa, and nobody feels more keenly than I do what a united South Africa would be. I cannot but think that where you find in South Africa two civilizations standing side by side, one with Chinese labour, which our own colonists will

not have in their own land, and on the other, Cape Colony particularly, resisting the idea of Chinese labour, you will then have two types of society, and instead of unification, you will have opposition. Why is it? It is because they are in such a hurry to get the gold out of the earth. Why does anybody suppose that in order to get gold out of the earth you must have the Chinese? Does any one suppose the gold is going to be melted by volcanic action in the bowels of the earth? Not a bit. The gold will remain, and come out when the time comes.

We are asked in this motion to protest against the invasion which is made on the rights of our fellow citizens in South Africa. I hold as strongly as any man can that a question such as this is of the first importance to the white people of South Africa, and that if they are antagonistic to this proposal, it would be something worse than a mistake to force Chinese upon them. I protest against the proposal on behalf of the Chinese themselves. I protest against the bringing of a very different civilization into contact with people of varied civilizations in South Africa. The result would not be good, I think, for the white people of South Africa, and I am quite sure that it could not be good for the Chinese who might be imported. On behalf of the Chinese, on behalf of the natives of South Africa, and on behalf of the white people of South Africa, I object to what is proposed, and, therefore, I support the motion.

Senator HIGGS (Queensland).—I think that we ought to congratulate Senator Pulsford on his conversion.

Senator PULSFORD.—I have never said one word in the Senate to warrant that remark. My position has always been clear. I have always said that I was not a supporter of the free importation of coloured labour. I ask the honorable senator to withdraw his suggestion that I have turned round in my views. I have not turned round in my views by one iota.

Senator HIGGS.—I had no desire to hurt the feelings of Senator Pulsford. But the reasons which he gave for supporting the motion appeared to me to absolutely coincide with our own views. We object to the introduction of Chinese into the Transvaal because we think that their civilization is not so advanced as our own, and that their contact with white people would lower the standard of white civilization. That is the whole basis of our objection to the introduction of coloured races into Australia. The honorable senator must not imagine for a moment that we wish to insult

the Chinese or any other coloured race. Every one who has read any books on the subject must know that there must be a great deal of good about the Chinese nation, otherwise that great empire could not have hung together so long as it has done. I have no doubt that it is objectionable for any British country to interfere in the doings of another British country, and if we were an independent republic, as some day I hope we shall be, in friendly alliance for defence purposes with all the other British republics, I would not support this motion. But knowing that Australia is part of the British Empire, and that our services may be called into requisition at any time, I consider that we have a perfect right to express an opinion about the movement which is on foot to introduce many thousand Chinese into the Transvaal. Even if only 17,000 whites in the Transvaal were concerned in this question, it would not follow that we have no right to express an opinion. I know that the whole of South Africa is concerned in the matter. If we may take the speeches of some prominent politicians in Cape Colony—for example, Dr. Jameson, the Premier—that colony is quite opposed to the introduction of Chinese. It would not only adversely affect the white population in the Transvaal, but it would be bound ultimately to adversely affect the condition of the white population in other Colonies in South Africa. The same evils which have followed from the introduction of kanakas into Queensland would undoubtedly follow from the introduction of Chinese into South Africa, but on a very much larger scale. What is proposed by mining magnates is nothing short of a system of semi-slavery. The 100,000 or more Chinese who are to be brought into the Transvaal must live in what are called compounds, and they must not go beyond the radius of one mile in any direction from the place in which they work, unless they have a permit. I find that under the ordinance which has been agreed to, the Superintendent has to make regulations, not only for the introduction of Chinese into the Transvaal, but for the introduction of their wives and families. I would ask honorable senators opposed to the motion to consider whether the white population of South Africa have not a sufficiently difficult problem to deal with, in the presence in that country of some millions of black people, without having cast upon them the additional burden of dealing with some hundreds of thousands of

Chinese? Australians make a very great mistake in going to South Africa, for there is no continent on the face of this earth that offers greater advantages than does Australia. I think that the black problem in South Africa will prove even more difficult of solution than the same problem is proving in America. We read that the blacks there live longer than white men, multiply faster, and are very rapidly picking up all the arts and handicrafts of the white man. If hundreds of thousands of Chinese are introduced into South Africa we must expect that the Superintendent will not be able to keep them out of occupations which are outside of skilled labour. If they read the Ordinance, honorable senators will see that it is proposed to keep the Chinese in unskilled labour occupations, and the wording is almost similar to that of some of the regulations governing the introduction of kanaka labour into Queensland. In that State it was found to be a most difficult matter to secure a conviction against any planter who used kanaka labour in carpentering, blacksmithing, and so forth. It will prove just as difficult to prevent the engagement of Chinese in the Transvaal in occupations other than those for which they were introduced. I have very little hope that the British Government will pay much attention to our protest, or to any protest in the shape of a petition or a resolution coming from any State in the British Empire. The way in which the British Government deals with matters of this kind was shown in their treatment of the Australian Colonies when they objected to the continued transportation of convicts to Australia. Their attitude was shown also in connexion with the Chinese question in Australia. The only protest which the British Government seem likely to pay any attention to is a demonstration of force. This is a matter which the Imperial authorities should consider at the present time, because they are talking "force" in the Transvaal. The newspapers there say that if the British Government introduce Chinese into the Transvaal they will have to introduce British soldiers at the same time. There is no doubt that when the Transvaaler reads the history of the measures taken to prohibit the introduction of convicts and Chinese to Australia he may be disposed to go to the uttermost limits of his constitutional rights in protesting against this invasion. I think he will be perfectly justified in using every constitutional means to keep the Chinese out of the Transvaal. When Senator de

Largie was speaking, Senator Dobson suggested that no white man had been refused work in the Transvaal.

Senator DOBSON.—No; I asked for information; I should really like to know.

Senator HIGGS.—The Transvaal is in the hands of the mining companies. Outside of the service of those companies no man can get any employment.

Senator DOBSON.—Has any large number of white miners applied for employment and been refused?

Senator HIGGS.—At the very time when the mining magnates are crying out that there is a want of labour in the Transvaal there are agitations on the part of the unemployed in order to secure some relief.

Senator DOBSON.—It is for that very reason I asked the question.

Senator HIGGS.—I have here a letter written by a gentleman named Mr. B. Sniders, which was published in the *Age* of 2nd March. He says:—

When I was in the Transvaal, I saw on the one side an agitation for the admission of Chinese as labourers, whilst on the other hand relief works were being started to find employment for hundreds of white men who were walking about, having nothing to do; and a concession of six days was granted in Durban to 6,000 unemployed kaffirs to find employment. It is a libel on the Dutch population to say they are scheming for the ultimate recovery of the independence of their country.

And so on. These petitions, about which a good deal has been said, have been obtained in a manner similar to that in which petitions were obtained in Queensland for the continuance of the employment of kanakas. Those interested in their employment took petitions around to workmen engaged in industries dependent, to some extent, on sugar production. For example, they would take a petition to a foundry in which hundreds of men were employed, and would point out to the men that the foundry received a considerable amount of work from the sugar industry, and it was therefore necessary, in order to keep their industry going, that the planters should have kanakas, and also that the men engaged in the foundry should sign the petition. Many men in Queensland signed these petitions for the same reason that men have signed petitions in the Transvaal—because they have had to choose between the signing of the petition and the giving up of their bread and butter. No importance whatever can be attached to the signing of a petition for the introduction of Chinese into the Transvaal. Any man who is a wage-earner, and who has

any real acquaintance with the question, will, if he is given a fair chance, vote against the introduction of Chinese. We are perfectly entitled to ask that the Chinese shall keep to their own country, and work out their own labour problem in that country. Some one has said this afternoon that the idea is that there will be labour troubles in the Transvaal if white men are employed. It is a very good thing for the world that there are labour troubles. I am sure that honorable senators will recognise if they consider the matter, that we have advanced in civilization, and our prosperity has been enhanced only because there have been labour troubles. If the labouring classes were prepared to put up with the conditions which existed in England at the time of Edward III., without making any demand for better conditions, no honorable senator will contend for a moment that we would have the state of prosperity that we have in Australia to-day. When I say that it is a very good thing for any country that there are labour troubles, I do not mean that the members of the Labour Party are anxious to foment strikes and so forth. We have given our opinions upon that subject in strong terms, and in terms which cannot be misunderstood. We believe in labour troubles for the remedy of grievances under which the workers labour, but we propose arbitration courts for their settlement. I do not think it will be a bad thing for South Africa if labour troubles occur there, and if the white workers are given votes; nor do I think it will be a bad thing if labour members in just as strong numbers as we have them in Australian Parliaments are returned to the various Parliaments of that country. I have no desire to occupy the time of the Senate at any great length on this question, but I feel that it is the duty of those honorable senators who object to the introduction of Chinese to the Transvaal to say something upon the question, however briefly, in order that Senator McGregor's protest may go forth with the support to which it is entitled.

Senator HENDERSON (Western Australia).—I have no intention of detaining the Senate, and I should not have spoken had it not been that I am disinclined to believe that honorable senators have taken a sufficiently strong view of what appears to me to be the most important phase of the great question under discussion. As a Britisher I have always thought that British aspirations were towards freedom, and that

every Britisher who left his country honoured the thought that there was an old British saying, which had to be realized wherever British people extended their power—that Britains never should be slaves. If that be true, then the phase of this question that we ought very seriously to regard is that which impels us to believe that an attempt is being made to impose conditions of slavery upon another people. Certainly there has been no reason, either implied, or directly put forward, to the effect that the Transvaal mines cannot be worked as legitimate enterprises, and earn a legitimate profit, with ordinary white miners. In fact, that has not been contended. On the other hand, the dividends reaped by the mine-owners are so huge that they impress us at once with the belief that there can be no earthly intention in their present policy, other than that of exploiting human flesh and blood. Senator Findley, last week, read a report showing the dividends paid by the Transvaal mines. The amounts ranged from 20 per cent. up to 150 per cent. That being the case, I maintain that, provided there is no other reason, there is ample justification for believing that white labour could be very profitably employed, and that the wages paid to the miners could be on a considerably higher scale than they are at present. An honorable senator has asked the question whether white men have ever been refused employment by the mine-owners or the mine managers of South Africa. It would have been within the recollection of that honorable senator if he had watched some of the proceedings in the Transvaal, that white miners were asked to give their labour for a pittance that was not sufficient even to keep the kaffir. The kaffir himself was turning away in disgust, and preferred to go back to the wildness of his own country rather than accept the terms imposed by the people who were running the mines. Having signally failed to get even the kaffir to work at the wages offered, the mine-owners got up a huge petition in favour of passing an Ordinance for the introduction of Chinese. Better would it have been, I think, had they come fairly and squarely into the arena, in daylight, and headed the proposed Ordinance "An Act to legalize slavery in the Transvaal." Surely at this time of day, when we have set our minds against slavery of every shape—surely when we have made up our minds to put down slavery wherever we can—we are not going to attempt to

allow people of a different nationhood to be enslaved simply because they are servile and quiet creatures, as one of the mine-owners of Australia characterized them when he was taking a prominent part in the advocacy of the introduction of Chinese to work the coal mines of New South Wales. They are servile, and because of their servility they lack the capacity for unity that would make good their "yea" and their "nay." They are ready to obey in every particular every dictum that may be imposed upon them. The mine-owners are asking to be allowed to enslave the people of another nation in order that they may also bring into existence such other conditions as probably will ultimately starve the white population into submission, reducing their manhood down to the level of races like the Chinese, whom the mine-owners now desire to import for their own profit. It would certainly be a disgrace to us, as Australians, if we did not raise our voices emphatically against such an act after the part that we have played as loyal subjects of the fatherland, loyal subjects of the country of which we are sons. Surely we should be unworthy of the name of Britishers were we now to allow a condition of things to be brought into existence, that we have believed from our cradle to be out of harmony with the traditions and the sentiments of the British Empire. Men talk about Empire; they talk about Imperialism. My idea of Empire is one which recognises that we must be free, with equal rights and equal opportunities; and not one which permits a few men to say to others, "If you are not prepared to work on whatever terms we choose to impose, you may starve." There is no freedom in conditions which impose upon men a condition of things that has ever been intolerable to the very sight, and certainly must be intolerable to the feelings, of any man who has British spirit and British pluck within him. I opine that the truth or the kernel of the whole matter has been touched by Senator Smith, who made the remark that in the Transvaal an attempt is being made by the mine-owners to enforce a system of slavery, because freedom in political power and in political rights and citizenship would make the Transvaal, not only an English-speaking country in time, but also a prosperous country where manhood would be reckoned as well as money. Evidently the mine-owners, not desiring to have to reckon with a manhood that demands freedom, have hit

upon the plan of confiscating the whole of that country; and in order to do it successfully, they ask that they may be permitted not to make slaves of Britishers, but to make slaves of Chinamen. The kaffir has refused to be their slave. Now they wish to be allowed to make slaves of the Chinaman. Having secured that permission, they say—"If the white man will come he must adopt the conditions existing, and become practically a slave to us." We have reached that time of day, however, when freedom is a sentiment that is nourished within the breast of every man. Every man loves his freedom, and wishes to be free. To be free in politics, and to be free in the industrial life of a country, is the only means by which we can hope to build up a wise and wealthy nation. To that end I have decided to support the motion. I trust that the Australian people, as a whole, will make their voices heard through their Legislative Houses, and that the result will be to check this unholy attempt to bring disgrace on us as a nation.

Senator GIVENS (Queensland).—Before the question is put to the vote I should like to say a word or two. In my opinion we should not have any right to interfere now in the affairs of South Africa if we had not previously interfered in the settlement of very grave questions in that country. It is within the memory of all that when serious difficulties arose as to the government of South Africa, and resulted in a racial war, Australia interfered, and, as many people believed, interfered to very good purpose. If it was permissible to interfere then, it is quite permissible to interfere now; and in this I think we find justification for the motion. Seeing that we are, to a certain extent, in common with the mother country, responsible for the existing state of affairs, it is only right that we should take our share in the work of trying to find a remedy. The position of the British in South Africa has been brought about by the sacrifice of an enormous amount of blood and money. The war in South Africa was undertaken ostensibly for the purpose of securing the rights of the Uitlanders—for securing the franchise for the British subjects there resident. Whether that object is likely to be accomplished remains to be seen, but up to the present that has not been the result, because in the Transvaal no individual has the right to the franchise, nor does there seem to be any probability of the right being extended in the near future. Present events appear to confirm my belief that the

war was undertaken merely in the interests of mining magnates, and not in the interests of the British people—that it was undertaken in order to satisfy the cupidity and greed of mining speculators, who are not even our own fellow-citizens, but in many instances are continental Jews—men who do not care a straw for the prosperity, well-being, or advancement, and progress of the British race, and are only concerned about their own miserable, dirty profits. The unhappy results which we see now have been brought about largely with our assistance, and we ought to do everything in our power to effect a change. The South African war cost the British people £250,000,000, while those who were killed, wounded, or died from disease, numbered 97,477. Then the Boers' loss in the field was 4,500 men, to whom must be added 15,000 or 20,000 Boer women and children, who died owing to the conditions imposed by the war. These figures show a most serious sacrifice and loss, and if the only tangible result is that Britishers are to be forced out of the country—that instead of getting the franchise, they are not even to be allowed to earn their daily bread—we ought to be ashamed for having assisted in creating such conditions. The mining magnates are apparently not so much concerned about the profits arising from white labour as compared with coloured labour, as they are about their future standing in the country. These people may be very interested in the question of the amount of dividends they will be able to draw out of the mines, but they are far more deeply interested in the question whether they will be allowed to retain, without any diminution in the future, the rights which they have usurped in that country. It has been proved over and over again that in the mining industry white labour as compared with black is more economical, effective, and safer. I shall not make any reference to the experiment tried by Mr. Creswell, of the Village Main mine, seeing that the facts and figures have already been laid before the Senate. We know that the mines in Queensland, if not exactly similar, are very nearly similar to those in South Africa; but so far as cheapness of production and economical working are concerned, the balance is in favour of the former. The great Rodeport mine, in Johannesburg, and the Scottish mine, at Gympie, in Queensland, are very nearly equal in point of richness and the quality of the ore. The South African mine is

Senator Givens.

worked with black labour, almost exclusively, at very low rates of wages, whereas at the Scottish mine, only white labour is employed at a decently remunerative rate. The miners at the Scottish mine receive on the average 8s. 4d. a day, or 50s. a week, though for work of a special character they are paid at a somewhat higher rate. In spite of the superior remuneration, the cost of working the Scottish mine is between 3s. or 4s. per ton less than the cost of working the South African mine. It has been frequently pointed out that the lodes in the South African mines are of such a nature as to admit of more economical working than is the case at the Gympie mines, and that the ore, being more friable, can be crushed with lighter stampers. Yet, taking the cost of mining and milling separately, or both together, the balance is in favour of the Scottish mine. The question involved in the introduction of Chinese cannot be solely one of profit. There must be something else behind; and the South African mining magnates have admitted as much, seeing that they have openly stated that if the white Britishers are given the work they will by and by want votes and parliamentary representation, and will follow the execrable example shown by the white workers, and particularly the miners, of Australia.

Senator FINDLEY.—That is the whole secret.

Senator GIVENS.—That, as Senator Findley says, is the whole secret of the movement. The Britisher was good enough to fight for the Transvaal in order that it might be added to the British dominions, but apparently he is not good enough to be afforded a day's work in order that he may maintain himself and those dependent on him. Anybody who takes up the South African newspapers, or reads the correspondence continually teeming over to this country from disappointed Australians and other Britishers, will find that the highest rate of wages offered to white miners and others is about 5s. a day—a rate that would not be looked at by any white miner that I know in any portion of Australia. There can be no difficulty in obtaining white labour in the Transvaal, seeing that men, who are almost starving because they cannot obtain work, offer themselves at that rate. This is a crying, cruel, scandalous shame, which only proves the utterly heartless callousness of the mine-owners. After all the sacrifices which have been made by the British people so recently, the mine-owners refuse to give

Britishers work, although plenty is available, and propose to introduce something like 200,000 Chinese. The mines are situated in a country won by the blood and bravery of the British people, because it must not be forgotten that the aristocracy and the officers could have done absolutely nothing without the rank and file, recruited from the masses. The only result is that the Britisher is looked at askance, and because he has not a yellow hide and a pig-tail he is not allowed to work.

Senator DE LARGIE.—Australians are treated in the same way.

Senator GIVENS.—I think the term "Britisher" is wide enough to include all Australians. We were told that the late war was on behalf of freedom, but I should like to know where the freedom is. If the mining magnates have their way it appears far more likely that the late war will prove to have been in the interests of slavery, because if they are allowed to import Chinese under the proposed conditions, those unfortunate coloured men will be in a state of absolute slavery so long as the term of their engagement lasts. I have in my hand a copy of the draft Ordinance, adopted for the introduction of Chinese labour into South Africa. I do not propose to read the document, although I shall be very glad to hand it to any honorable senator who is interested in the matter. Briefly, I may say that the Chinese are to be imported, in the first place, under licence, and that no licence will be granted unless suitable accommodation be provided before the arrival of the labourers, and proper security be given for their repatriation. None of the labourers have to be employed elsewhere than in the Witwatersrand, or mining district; being imported to work in the mines, they are absolutely prohibited from engaging in any other capacity in any other district. Another condition is, that so long as the labourer remains in the Colony, he shall be employed only on unskilled labour for the exploitation of minerals, and he shall serve only the person introducing him, or another person to whom, when he has obtained the licence, the first person may lawfully assign his rights. It will be seen that the mining magnates who import labourers will have an absolute monopoly of their services, and that they may be bought and sold for the time being, just as if they were bales of hay or sacks of chaff. No contract must be for a longer period than three

years, nor shall it be renewed for a period which, together with the first period, shall exceed five years. One portion of the Ordinance is a "perfect beauty."

Senator FINDLEY.—It is "quite English, you know."

Senator GIVENS.—This portion of the agreement is so contrary to the accepted idea, that Great Britain and every person in it shall enjoy liberty, that I propose to read it in full. It is as follows:—

In order to secure the proper control of the labourers, it is enacted that every importer must deposit a return showing the number of labourers introduced, and the place or places in which such labourers are employed.

No labourer shall be allowed to trade or acquire, lease or hold land; every labourer must carry an identification passport, renewable every year; the importer—

The employer is spoken of as if he were merely the importer of so many bales of merchandise—

must keep a register of all labourers introduced, and the labourers must reside on the premises on which they are employed.

They are going to have the compound system, just the same as prevails in the Kimberley diamond mines. The labourers are not to be allowed to go outside the compound except with the express permission of their employers; they will be absolute slaves in a prison.

No labourer shall leave the premises on which he is employed without a permit, signed by an authorized person, and no permit shall be available for more than 48 hours.

Any inspector or member of the town police or South African constabulary may demand the permit and passport of any person whom he has reason to suspect is a person imported under the ordinance, if he be found absent from the premises on which he is employed; and on the failure of such a person to produce the permit and passport, he may arrest him without a warrant.

These are some of the conditions under which it is proposed that the Chinese shall be brought into the Transvaal and worked there. It is absolutely abhorrent to all the ideas which free-born Britishers have of the rights of humanity, because it is going back to the conditions which prevailed in the old days of slavery, which we all thought we were so happily well rid of.

Senator MCGREGOR.—Will they be allowed to sing "Rule Britannia"?

Senator GIVENS.—They may, but I do not think they will sing the song with a very good grace, especially if the officer's whip is curling about their shoulders. What proper supervision can there be over the labourers in the compounds to see that they

are not harshly and brutally treated by the mining companies? What guarantee will any portion of the British people have that their race and their Government will not be brought into disrepute and disgrace by the conditions which will be set up in the compounds for the benefit of these blood-sucking mining monopolists, who, according to their own admission, have no regard for the welfare and prosperity of the Empire, and whose only desire is to get cheap labour to work their mines?

Senator MCGREGOR.—Will they be provided with knives and forks?

Senator GIVENS.—I do not know. So long as their liberty is taken away, so long as they are compelled to engage on terms which are tantamount to slavery, it will not matter very much to the unfortunate creatures what particular feeding instruments they are provided with. If this is to be the result of all the sacrifices which have been made by the British people in South Africa it is a very poor one indeed, and one of which the people of Australia, as a portion of the Empire which has taken a part in that South African tragedy, cannot afford to feel proud. It has been said by one honorable senator that we have no right to interfere in this matter, because we in Australia would resent any similar interference by any other portion of the Empire with any legislation which we proposed to enact. I admit at once that I, as an Australian citizen, would regard it as an impertinence if any other portion of the Empire attempted to dictate to this Parliament as to the laws it should pass. But the conditions in South Africa are entirely different from those in Australia. The Transvaal had no responsible government. The bulk of the people of that Colony had no voice in the making of that infamous Ordinance with regard to the introduction of Chinese. If they had such a voice, undoubtedly they would condemn the Ordinance unhesitatingly.

Senator O'KEEFE.—They are condemning it.

Senator GIVENS. — My honorable friend reminds me that they are condemning the Ordinance almost every day, but their voice is drowned by the cries which are raised by the mining magnates in their desire to be allowed to work their will on that country. Anything which happens in a part of the Empire must necessarily affect Australia as a portion of the Empire. And having once interfered with the affairs

of South Africa, I contend that in order to keep up our reputation as a people who desire to do right, we should interfere now with a view to prevent an injustice being done, which, if committed, would not redound to our credit, or to the credit of any portion of the Empire. I never could see why the British people allowed themselves to be carried away by a few persons whose concern was for the profits which they could get, or the control which they could obtain over a particular industry. It is admitted that white labour can do the work in the mines, and do it, economically and effectively. It is also admitted that the mines are sufficiently rich to enable the mine-owners to pay a decent rate of wages to white people. Yet, in face of these facts, the mine-owners will not allow an experiment to be made to see if they can obtain sufficient white men to carry on the work successfully or not. We know that the one man who did try the experiment, and proved it to be a success, was incontinently kicked out of his office by the interested mine-owners, who did not wish any such thing to be proved. The total amount received in dividends by the mine-owners from the mines in Johannesburg has been enormous. Yet, in the face of that fact, they say that in order to work the mines successfully they must be allowed to employ cheap Chinese. That is a state of affairs against which I think we should protest. There are several Australians in South Africa who are seeking to find any employment which would give them a decent remuneration, and allow them to maintain themselves and their families. During the late years of stress in the Commonwealth many of these persons were compelled to look elsewhere for work, and they went with that view to South Africa. We know that although Australia made perhaps as much sacrifice in South Africa as any portion of the Empire, these men cannot find work there, and that Australians are treated with scorn and contempt by the very mine-owners in whose interests they went to fight during the late war. That is a statement which, I believe, no one will attempt to deny. In letters to the principal daily newspapers in the Commonwealth, and in private letters which have been published in the press, it has been stated that an Australian in South Africa has less chance of getting work than a man of any other nationality. Why? Simply because Australia has the reputation of being a democratic country, in which working

men insist on having fair representation in the Parliament, and claim their rights as workmen. The great fear which the mine-owners have before them is that if a large number of white British and Australian workers went there, then when constitutional government was granted to the country all those men would get votes, and demand a full share of representation in the Legislature. The mine-owners know that if the workers were to obtain a full share of representation in the Legislature, they would not be able to work their sweet will, as they could do if they had a monopoly of the representation. Therefore, in order to obtain a monopoly of the representation, they have tried to make sure that there shall not be many workers there who would be eligible to obtain votes. That is the reason of their great objection to white labour. They are exhausting every means in their power to introduce Chinese. But I hope that the British Government, who have a controlling voice in the management of the Colony's affairs, will not be so ill-advised as to allow the weal of the whole Empire to be sacrificed for the sake of these mine-owners. I believe that it will be disastrous to South Africa if it is peopled by Chinese and cheap coloured labourers instead of by men of our own race and colour. The climate is suitable for the breeding of a hardy race for people such as can be obtained from the old country and the continent of Europe. Therefore, I ask why all profitable work, of which there is plenty, should not be reserved for the people of Great Britain and the white people of Europe who might like to go there and settle down. If England, as has been said, is the advance guard of civilization, if it has been her work to conquer these countries for civilization, then she will not be fulfilling her duty if she allows them to fall into the hands of a few interested mine-owners, who will only look to their own aggrandizement, and Australia will live to regret the day when she lent her help in the attainment of such infamy.

Senator DOBSON (Tasmania).—All my sympathies are with the principle which is embodied in the motion. I think that every honorable senator must feel that the principle of a White Australia is a good one. The chief difference between some of us and our friends in the labour corner is that we believe that the point of a thing lies in the application thereof. We have occasionally to object

to proposals made by our friends in the labour corner because they carry good principles to extremes. When we apply the doctrine of a White Australia to the Commonwealth we have a very wide area, and if I may say so, a large limit; but when we try to apply the principle to a White Empire, we have to recollect that about three-fourths of the people of that Empire are coloured. We cannot, therefore, carry out this admirable principle to the same extent in dealing with the Empire as in dealing with Australia. But for all that I believe that the sympathies of every honorable senator, no matter what my friends in the labour corner may say, are practically with the motion. I may wind up with an amendment, because I do not quite approve of the language of the motion. We are a nation, and we are asked to address the heart of the Empire. I hardly think we use diplomatic language in saying that we emphatically protest against this Ordinance. There are certain diplomatic terms which could be used to convey the same meaning, and I think that we ought to use proper language on an occasion of this kind. Although our sympathies are with the motion, I wish to point out to my honorable friends in the labour corner the difficulties that lie in our way, and also to suggest that little effect can follow our resolution, because, so far as I can make out, the white population of the Transvaal seem to be almost unanimously in favour of the introduction of Chinese.

Senator O'KEEFE.—Nonsense.

Senator DOBSON.—I was going on to say, when I was interrupted, that I cannot conceive why it should be so; but I believe that it is, and before I conclude I shall give the reasons for my belief. I have in my hand a copy of the cable messages from England, which we all read in the local newspapers of the 12th March; and I shall read the whole of them. Honorable senators will be able to judge, when they hear who formed the deputation referred to, whether this is not almost sufficient evidence that the great bulk of the population, and all classes of the people in the Transvaal, are in favour of the proposal made. They will find that the deputation included not only mine-owners, but miners, members of the Salvation Army, and representatives of the Anglican Church.

Senator DE LARGIE.—What about the Parliament of Cape Colony?

Senator DOBSON.—I should like to impress on my honorable friends the fact that I am not arguing against the motion. I am pointing out merely some of the difficulties which have to be faced in dealing with it.

Senator DAWSON.—The honorable and learned senator is a "candid friend."

Senator DOBSON.—I propose to stick to facts whatever I am. I ask honorable senators to listen to this—

A very large deputation, numbering about 300 persons, and representing all classes, including the Salvation Army, and miners from forty different mines, waited on Lord Milner yesterday in connexion with the Chinese labour question.

Senator MCGREGOR.—What colour were they?

Senator DOBSON.—There were representatives of the Salvation Army and miners from forty different mines. I see no reference to mine-owners here, but though they were not present they might have been pulling the strings in the background—

They were joined by the Chamber of Commerce, which had just resolved by sixty-one votes to eleven to urge on the Imperial Government the necessity for the immediate ratification of the Ordinance on Chinese labour.

I find that this deputation composed of these various classes of the community, and all white—

asked Lord Milner to impress on the Imperial Government the urgency of assenting to the Ordinance passed by the Legislative Council.

The Anglican Bishop of Pretoria, the Right Reverend W. M. Carter, who could not attend, wrote to say that in his opinion the importation of Asiatics was the only solution of the labour trouble.

Senator MCGREGOR.—He did not say Asiatic bishops, did he?

Senator DOBSON.—The cable message continues—

Lord Milner, in reply, said that he would stake his reputation that for every 10,000 coloured labourers introduced 10,000 whites would be added to the population in three years.

Lord Milner, in forwarding to the Imperial Government the resolution laid before him by Thursday's deputation, has indorsed it with the notification that he entirely concurs in it.

Senator DAWSON.—What does he know about it?

Senator DOBSON.—I do not suppose that any collection of politicians, other than the members of a Labour Party, would have the temerity to make the sneers and irrelevant interjections which my honorable friends in the labour corner have made during the reading of these messages. Here we have representatives of almost every class in the community, going in a body 300 strong to

the Governor and requesting him, as a matter of urgency, to ask the Secretary of State for the Colonies to sign this Ordinance. Why did they do this? All classes appear to have been represented on the deputation. The mining people were represented, miners from forty different mines, commercial men, the Salvation Army, and the Anglican Church.

Senator MCGREGOR.—If there was one Judas Iscariot in twelve, how many would there be in 12,000?

Senator DOBSON.—All these people asked that the Ordinance should be passed, and what is the meaning of that unless it is that a large majority of the white people are in favour of what, I confess, I believe to be a most shameful policy for the introduction of Chinese. The cable message goes on to say—

The Natal Government has also cabled to the Hon. A. Lyttelton that unless the tension due to the shortness of labour in the Transvaal is immediately relieved, the financial position in South Africa will be seriously affected.

Almost concurrently with the receipt of these messages Mr. Lyttelton cabled to Lord Milner that it was His Majesty's pleasure not to disallow the Chinese Labour Importation Ordinance, but it was his pleasure that the ordinance should remain inoperative for the present.

The despatch is generally interpreted to mean that every precaution will be taken to conform to China's requirements. Mr. Lyttelton has signed the Ordinance, and directly the negotiations with China are concluded Lord Milner will proclaim the date on which recruiting may commence.

There seems to be no difficulty here in dealing with the wishes of the people of the Transvaal, of Natal, or of Cape Colony; but the Imperial Government would appear to be negotiating with the authorities of the Chinese Empire to see whether they thoroughly approve of the terms under which these men are to be imported. Then I will read this cable to honorable senators. This is the Quakers' protest—

The Society of Friends has sent to the Hon. A. Lyttelton, Secretary of State for the Colonies, a memorial protesting against the introduction of Chinese labour to the Rand.

In reply, Mr. Lyttelton points out that Indian coolies were employed for many years in several of the colonies, under substantially the same conditions as those proposed for the Chinese in the Transvaal, and that Liberal Governments had never made any attempt to alter the terms of coolie immigration.

Senator de Largie gave us a number of what we consider to be facts, but, so far as I know, those facts can be contradicted, and I propose to read something which I think does contradict them.

Senator DE LARGIE.—I read the despatch from the Governor of Cape Colony.

Senator DOBSON.—I propose to read something which will speak for itself. First of all, I should say that I do not for one moment think that we can be rightly snubbed for passing a motion of this character, or that we have not the right to make known our objection to the Transvaal Government and to the Imperial Government. I believe that we have, and, as a matter of fact, the Secretary of State for the Colonies has admitted our right, and it is, therefore, hardly worth while to waste time over that. I should like honorable senators to hear what Mr. Lyttleton said in his speech at Leamington. I quote from the *Times*, which I try to read as regularly as I can. In the issue for the 27th January, I find that, in referring to the principles adopted by the Imperial Cabinet in dealing with Colonies that have representative government, and with Crown Colonies, Mr. Lyttleton is reported to have said—

He had hoped to say something of the immense interest of the problems coming for solution before the Colonial Office. There was only one safe way now—the traditional way—for the Colonial Office to adopt in dealing with such questions, a way which was most faithfully trodden by his distinguished predecessor, a way which commended itself peculiarly to Englishmen. He meant that, bearing in mind that unless Imperial interests were vitally concerned, our principle must be never to interfere with the desires and the wishes of the self-governing States of the Empire. He would go further, and say this, even with regard to Crown colonies, our aim should be coherence and mutual fidelity; and in keeping to unity and coherence of purpose we ought never to forget that each one of these great States must have its own life, its own particular thought, its own particular policy, and method of expression. Provided we kept this always in view, the Empire would possess the sanest of foundations, and the most ideal of aspirations.

Honorable senators will see that the Secretary of State for the Colonies says that we ought to recollect that even Crown Colonies have their own life, their own responsibilities, and their own ideas as to what is best for their progress and prosperity.

Senator GIVENS.—But they have no power to carry them out.

Senator DOBSON.—That is only carrying out the grand principle of British liberty and freedom. It is the policy of the Imperial Government to interfere as little as possible with the wishes even of the self-governing colonies of the Empire unless Imperial ideas are vitally affected. I am not going to admit that in this case Imperial ideas or the interests of the Empire

are not affected. I believe they are. I believe that just because they are affected we have a double right to interfere in a respectful manner in this matter. I next propose to contradict some of the statements made by Senator de Largie. The honorable senator read a letter from Mr. Creswell, whose brother is so well known to us all. That letter seemed to carry conviction on the face of it. It seemed to prove that there was no occasion whatever to employ coloured labour; but it is true in this as in every other case, that one story is good until another is told. As Senator de Largie has given one side of this question, he will permit me to read the answer to it. The answer is signed by Mr. H. G. Sidgreaves, secretary to the Village Main Reef Gold-mining Company.

Senator FINDLEY.—From what paper is the honorable and learned senator quoting?

Senator DOBSON.—From the *Times*.

Senator GIVENS.—Where does this secretary live—in London?

Senator DOBSON.—Yes; the letter is dated from the Old Jewry, E.C., but my honorable friend is a little too previous, because this gentleman writes from the experience of two resident engineers, whose names are mentioned, who were on the spot, and happened to have the management of these very trials, as to the difference between the cost of black and white labour. If the honorable senator will have a little patience he will find out what their opinion is. Mr. Sidgreaves may be the mouthpiece in this instance, but he gets his evidence from experts on the spot. He writes to the editor of the *Times*—

The attention of my board has been directed to a letter in your issue of the 26th inst., signed by Mr. F. H. P. Creswell, late general manager of this company, on the subject of the comparative cost of white unskilled labour and native labour on the mines. In the latter part of his letter Mr. Creswell asks what must be thought of the directors, if Mr. Robeson is right in stating that a considerable loss was allowed to take place month after month without protest, dismissal, or even censure of their manager. As this portion of his letter can only have been written with the object of prejudicing the conduct of the affairs of the company by the directors in the eyes of the shareholders, I am directed to give you the following information as to what actually took place with regard to the trial of unskilled labour on the property.

In June, 1902, shortly after the end of the war, a large number of unskilled white men, including some disbanded yeomanry, were left on the Rand without employment, and Mr. Creswell

wrote, urging his board to try the experiment of utilizing these men for surface operations, as he considered that they could be economically employed in this class of work in view of the scarcity of native labour. After the matter had been thoroughly discussed, and the best advice procurable on this side had been taken, the board, in June, 1902, authorized Mr. Creswell to temporarily employ white labour in the manner he recommended.

Senator DE LARGIE.—But did he employ them below ground as well as on the surface?

Senator DOBSON.—I cannot tell the honorable senator anything about that.

Senator DE LARGIE.—I quoted sworn evidence given before a commission.

Senator DOBSON.—Mr. Sidgreaves in his letter goes on to say—

The economical results of such experiment could only be ascertained after it had been carried on for a considerable time, as many conditions which had obtained before the war were non-existent at its close, and during the period up to November, 1902, the directors repeatedly reiterated to Mr. Creswell, that the employment of these men must only be considered temporary and experimental. Towards the end of the year Mr. Jennings reported to the Board most adversely with regard to the results so far obtained; but the directors, feeling sure that Mr. Creswell was thoroughly earnest in his belief that he could ultimately make the experiment a success, it was allowed to be continued until March, 1903, and he was given every latitude, and in no way hampered by the Board, who were desirous that he should, if possible, succeed. The Board, then finding no improvement in the results obtained, directed that the employment of these white men should be gradually discontinued.

Senator DE LARGIE.—What results had been attained then?

Senator DOBSON.—The letter continues—

Mr. Jennings' views have subsequently been confirmed by Mr. Robeson, who states that the actual figures representing the additional cost occasioned by the partial employment of white unskilled labour, as recommended by Mr. Creswell, is 4s. 3d. per ton. At first he put it at 5s. 8d., but modified this, owing to the fact that the figure for development redemption, which he had adopted, was not in all cases the same as the actual cash amount spent on development. This modification was, in fairness to Mr. Creswell, published in the South African papers by our local secretary about three weeks ago. Whatever the exact difference of cost may be, my Board has, no doubt, from the reports of these two eminent engineers, that the employment of this class of labour to do the work of kaffirs has proved a failure.

Mr. Creswell refers to his evidence before the Labour Commission as supporting his views, The Commissioners, after giving him a very patient hearing, declined to accept them, and in their report, which is a most exhaustive one, they arrive at diametrically opposite conclusions.

My honorable friends read, as I did, that Mr. Creswell was cross-examined for hours and hours before the Labour Commission. But he stuck to his guns. He was the engineer in charge, and consequently he spoke with authority. But his board of directors arrived at diametrically opposite conclusions. Now, I have read the evidence of two expert engineers on the spot, who had months and months in which to carry out this experiment, and who had some members of the Imperial Yeomanry, and probably some of our own disbanded corps, to draw upon to do the work. They tried the experiment, but the job was to some extent a failure. At all events, it ended in the desire for the employment of coloured labour being increased. It is of no use acting like the ostrich, and putting our heads in the sand. It is useless to refuse to listen to what can be said against our own point of view. That is what my honorable friends in the labour corner are constantly doing. They should be grateful to me for pointing out, as I occasionally do, the other side of these questions. I have not done with extracts. I will now read what the *Times* correspondent says, writing with a full knowledge of the case. I will read all that he says, because I am thoroughly in earnest, and desire to get to the bottom of the question. I am inclined to think that the point which the Secretary of State for the Colonies insists on is the only one which would justify our interference, viz., that Imperial interests are affected. That is the best point of view which we can adopt, and in the amendment which I have prepared I have to some extent emphasized it. I do not think that to introduce Chinese wholesale into the Rand under the conditions referred to is a matter which affects this country, and I contend, with all humility and earnestness, that that is the point of view which we ought to insist on. Because that is so, I am more than ever in sympathy with the principle of the motion. The *Times* correspondent writes on 25th January, under the following headings:—

The Transvaal and Chinese Labour.

Motives of the Opposition.

This is worth listening to. I always desire to get into the mind of my enemy if I can.

The fact that the Legislative Council has pronounced in favour of Chinese labour would, in ordinary circumstances, suffice to indicate the trend of popular feeling in the Colony.

I would point out to my honorable friends that they are quite right in supposing that the Transvaal has only a nominee Council. It consists of thirty-one members, including

the High Commissioner and the Lieutenant-Governor. . I have just read over their names. They are not civil servants, as has been stated, but the bulk of them are amongst the foremost men in the Transvaal, representing every class of the community. We all recollect that three of the noted Boer generals were offered seats in the Legislative Council of the Transvaal, so that there might be representatives of the Afrikaner Bond and of the Boer population. Two of those generals would not take seats, but I see amongst the members four who, from their names, must be Dutchmen. I desire to emphasize the point that the Council contains representatives of all classes of the community, though I am not quite sure whether there is a labour man amongst them.

Much, however, is made of the large number of official members of the Council, whose opinion on the subject is discounted. It may, therefore, still be necessary to try to convince public opinion at Home, which, in some instances, has manifested a squeamish sentimentalism regarding Chinese labour in the Transvaal mines, that in reality the country as a whole indorses the verdict of the Legislative Council. In the first place it may be noticed that no counter petition has been got up against the monster petition signed by 45,078 adult males in favour of the importation of the Chinese, which was presented to the Council yesterday.

I do not recollect at this moment how many white males there are in the Transvaal, but here was a petition containing 45,000 signatures in favour of the introduction of the Chinese. There was no petition on the other side. Surely, that is a point which bears out what I am saying.

Again, the attempt made at one time to represent the Dutch section of the population as unanimously opposed to Chinese labour has signally failed. In some places where the subject has been mooted, as at a local congress at Pietersburg last Friday, the Boers have been advised by their leaders to avoid expressing an opinion. This is an important factor in the situation, clearly proving that the Dutch themselves feel unable to engineer any serious opposition to the scheme. On the other hand, several meetings of Dutchmen, held in various parts of the Colony, have supported Chinese labour. There remains only the outcry raised in Cape Colony against Chinese. I do not wish to dub this a mere electioneering cry, but it is as well to remember that the Cape Parliament has twice passed legislation for the introduction of Chinese labour, and that the reason why it has never been put into force is the expense.

This a fact worth noting, because I understood that the people of Cape Colony were against the introduction of the Chinese. Yet their Parliament has twice passed a law enabling Chinese to be introduced. That

fact shows that they are a little bit "wobbly" on the point.

Senator GIVENS.—When was that?

Senator DOBSON.—I do not know when it was; it may have been some years ago—

Recently an experiment was made with the introduction of Italians and Swedes, and it was noticeable that when the relief fund was lately being administered, with the object of giving employment to distressed whites, it was found that nearly all the applicants were foreigners. The other day I came across a prosperous landowner who was loud in his protestations against Chinese labour for the Transvaal mines. I found that he was working his own extensive farms exclusively with coolie labour. From whatever point of view Cape opposition to Chinese labour in the Transvaal is considered, it is illogical. As an electioneering cry, however, it has proved most useful for a strong bid for the native vote. Moreover, anything likely to put a spoke in the Transvaal wheel will always be eagerly seized upon by the members of the bond and others too in Cape Colony. The former, however, have far-reaching views, unknown to the latter. The members of the bond are sharp enough to realize that if the mines receive a set back, which would immediately follow rejection by the Home Government of the demand for Chinese labour, the agitation for responsible government would soon assume formidable proportions, and that too on the part of the British. In this way the aims of the Dutch throughout South Africa would be furthered, and there would be no need for them to show their hand by agitating themselves. I would remind those enthusiasts who in and out of season have advocated white labour, that the advent of Chinese is the only possible stepping stone to this *desideratum*. White labour, without improved machinery and improved accommodation, is a practical impossibility. To obtain these means a considerable lapse of time, and in the meantime the mining industry cannot continue to stagnate. It has been urged that both the output and the supply of labour have been increasing every month. Till recently this was the case, but the limit would now seem to have been reached, and both output and labour supply are now falling back. Moreover, the mines maintaining hitherto the monthly average of tons milled have been drawing upon the reserve accumulated before the war. This cannot continue indefinitely, nor do the advocates of white labour mention the many mines altogether idle, and the deep-level propositions still untouched. There are fanatics who obtain a hearing at home; but, at best, the truths they champion are only half truths.

Personally, I regret the tone of the extracts which I have been reading, because they show to me that the white population of the Transvaal, the population of Natal, and to some extent that of Cape Colony, hold different views from those which I, and Australians generally, hold, and I hope will continue to hold. Under these circumstances, what good can be done by such a motion as Senator McGregor asks us to pass? I should have thought that my

honorable friend would have rested content with the action of the Government. I am thoroughly in accord with what the Prime Minister did. He sent home a protest—if we like to call it such, although that word was never used. The message he sent was couched in the most respectful language, and no possible exception could be taken to it. Mr. Lyttleton has already admitted our right to send home such a remonstrance. But I am not in accord with Senator McGregor in using the term “*emphatically protest*.” I think that a better phrase can be adopted. I was in the House of Representatives a few moments ago, and found that honorable members there were still debating the Address in Reply. They have not yet had an opportunity of reaching the motion dealing with the introduction of the Chinese to the Transvaal. The Vice-President of the Executive Council has told me that if this motion were couched in more moderate language, it might be adopted by the House of Representatives also. With a view of securing the adoption of a more moderate proposal, I move as an amendment:—

That all the words after the word “*That*” be omitted with a view to add the following words—“the Senate confirms the action of the Prime Minister in representing to the Imperial authorities the injury which will result from introducing Chinese labour into the Transvaal, and respectively submits to the Secretary of State for the Colonies that it will be a bitter disappointment to those portions of the Empire whose citizens helped the British Government to secure the Transvaal, and to the Australian white people of the Transvaal, if the introduction of Chinese into our sister Colony is continued, until the question as to the desirability of such introduction is decided, either by a referendum of the white population of the Transvaal, or responsible government is granted to that Colony.”

My honorable friends must recollect that the Ordinance has been assented to, and that it will be brought into operation immediately the matter has been arranged with the Chinese Government. The motion of Senator McGregor seems to contemplate that the subject is still open. What is the use of our making a protest when the thing is done, and the law is passed? My amendment will give to the Secretary of State for the Colonies reasons—not why we protest, but why we shall feel bitterly disappointed if he continues to allow the introduction of Chinese. Therefore, my amendment deals with the situation as it is, whereas my honorable friend protests against a thing that is already done. It seems to me that Senator McGregor's

Senator Dobson.

motion must be altered in two particulars. First of all, we do not want to use the term “*emphatically protest*”; and, secondly, we do not want to shut our eyes to the fact that the Ordinance has been granted. We ought to represent to the home authorities that they should no longer allow the introduction of Chinese.

Senator GUTHRIE.—The Ordinance does not come into effect until a proclamation has been issued.

Senator DOBSON.—I am not sure about that. But we frequently have laws passed which do not come into effect until a proclamation is issued. Mr. Lyttleton has himself said, however, that at the moment the negotiations between the Chinese Government and the Transvaal Government are at an end, the introduction of Chinese will commence. Therefore, my honorable friend, in common with the other bodies that have protested, from the miners and the Salvation Army to the Anglican bishop, must admit the urgency of the matter. It strikes me that political questions, and above all, the “*almighty dollar*” are at the bottom of it. Inasmuch as my honorable friends in the labour corner bring every question that I have ever heard them discuss down to a matter of wages, is it surprising that the mine-owners and the capitalists of the Rand bring down everything, in the last resort, to a question of their profits?

Senator FINDLEY.—The Labour Party honestly admit it; they do not.

Senator DOBSON.—I believe this to be a question of the “*almighty dollar*,” and that the great mass of the people, from members of the church downwards, including shopkeepers and all interested, honestly believe that the progress of the Transvaal will be absolutely retarded, and the mining industry to some extent placed in a state of stagnation unless labour be imported. That being so, we have great opposition to face. There is no reason why we should sit still and do nothing, and I approve of sending a respectful—I do not like to call it a protest—but a respectful remonstrance to the Home Office, asking the Imperial authorities to discontinue at the earliest possible moment a policy which we believe to be fraught with the gravest consequences to the Empire.

The PRESIDENT.—The amendment has not been seconded, and cannot therefore be put.

Senator PLAYFORD (South Australia—Vice-President of the Executive Council).—The amendment really amounts to much the same as the motion, though it is expressed in very roundabout language, which only the genius of a lawyer could employ. I am perfectly astonished at the attitude of Senator Dobson, who started by saying that he was in perfect agreement with the action of the Government, and then launched forth with a lot of arguments all directed to showing that there was so much to be said on the other side that he really must have made a mistake. When the honorable senator "trots out" that Anglican bishop, and tells us what the Chambers of Commerce have said on the subject, he strikes such terror into us that we find it impossible to argue with him. But do we not know something about Chambers of Commerce in Australia? When a Chamber of Commerce in this country expresses an opinion as to what ought to be done by the Government, do we take it for granted that the majority of the people agree with it? Do we not often find our Chambers of Commerce very much at fault? They certainly are not representative of public opinion on a great many questions which they discuss. Do not Anglican bishops make mistakes? Is not even the "non-conformist conscience" sometimes at fault? I think it was really too bad of the honorable senator to "trot out" the Anglican bishop and Chambers of Commerce, and leave out any reference to the non-conformists; and as matters stand, we do not know what the opinions of the latter are on the subject. It is certainly very singular that an honorable senator who agrees with all that the Government have done in this matter, and thinks that there is no need for this motion, should himself propose an amendment which practically gives effect to the motion, and, in doing so, adduce every conceivable argument for the purpose of showing that the Government and all of us are wrong. I sometimes cannot understand the ways of this honorable and learned senator from the "tight little island," but under the circumstances we can only conclude he has great difficulty in making up his mind. Perhaps the honorable and learned senator has an exceedingly sensitive conscience, and looks on both sides and all round a question, until he gets into such utter confusion that the question is whether he himself knows what his opinions are. In discussing this question, we may start with the proposition that, unless a

community is prepared to give people who come to their shores the full rights of citizenship, they should exclude them, because they confess their belief that they are of an inferior race. The admission of members of an alien race of a lower state of civilization means a risk, by intermarriage and otherwise, of a debasement of the higher race. The general principle, that no race should be admitted to which it is impossible to give the full rights of citizenship, ought to apply right throughout the British dominions. South Africa, in the first place, is either blessed or cursed with an aboriginal population, who must, in common justice, be accorded fair treatment. I do not say that the black aborigines ought to have the franchise, or equal rights of citizenship with the whites, but they ought to be treated fairly, as are the aborigines of Australia. I heard, some time ago, that a man, who had employed an aboriginal carrier in the mail service, was told by the postal authorities that he had no right to do so; and, in my opinion, it is a shame to debar aborigines from this or any similar employment. To introduce the yellow man to South Africa would, with the black aborigines already there, result in a most piebald population. The proposal is to introduce Chinese, on terms and conditions which show that they will be regarded practically as slaves, to be fenced within compounds, so as to keep them from mixing with the rest of the community. Then they have to be deported after a certain period; and, looking at all the conditions, in my opinion, the proposal is one which is a disgrace to the British authorities.

Senator DOBSON.—The honorable senator is beating the air. If the Chinese Government agree, what have we to do with the matter?

Senator PLAYFORD.—It may be—I am not sure—that they have a little slavery in their own country. But it does not matter whether the Chinese Government agree or disagree—their action will not make wrong right, or right wrong. It is wrong to import men under conditions implying a state approaching that of slavery; it is certainly wrong that a person who indents a Chinaman should be able to sell him as if he were part of his goods and chattels.

Senator DOBSON.—Deal with the matter from the Transvaal point of view, and not from that of the Chinese Empire.

Senator PLAYFORD.—The magnates

who own the mines have immense influence and wealth, which they can use for the furtherance of their own ends. They are able to influence the newspaper press, and by that means scatter broadcast throughout the Empire and the world very false statements of the position. We have heard from Senator Findley how these magnates have been able to pack public meetings with men paid to break up the proceedings. It is only a short time ago since we, believing that we were assisting to liberate the Uitlanders, who were our own flesh and blood, sent our sons to fight on their behalf; but we had no idea then that a horde of Chinese was to be imported in order to compete against our own fellow-citizens. I am perfectly astonished at the position which the British Government have taken up. This is a matter which ought to have been looked at from the Imperial point of view which Senator Dobson so frequently urges. In time we hope to see a Commonwealth like our own in South Africa, and the British Government ought to realize that it is to the interests of the present generation, and those who will follow, that the yellow races should be excluded. There is a black race there already; why then, should there also be a yellow race? The position taken up by the Commonwealth Government is very clear. Honorable senators will recollect that a short time ago I laid on the table a paper showing the correspondence which had taken place between the Premier of New Zealand and the Prime Minister of the Commonwealth in reference to approaching the Imperial and Transvaal authorities. It was then agreed, between the Prime Minister and Mr. Seddon, that a mutual statement of the Australasian case against the introduction of the Chinese should be sent to the Transvaal authorities, and also to the British Government; and I should like to refer to one or two points then dealt with. In a cable from the Prime Minister of the Commonwealth to the Premier of New Zealand, on 16th January last, the former suggested that the following should be included in a message to the Transvaal Government:—

They (Ministers of the Commonwealth) foresee grave perils—racial, social, political, and sanitary—inevitably induced by alien influx, injurious to yourselves and neighbouring territories with which your future is linked indissolubly, and finally to Empire of which South Africa is great and vital part.

We, in Australia, have had experience of Chinese immigration, and with Canada and the United States—as shown particularly

Senator Playford.

in the case of San Francisco—know what trouble and injury results. An alien race of lower civilization, who are content with fewer comforts than are white men, always tend to depress wages, and there is always the danger arising from the inter-marriage of the Mongolian and the Circassian. I regard the Chinese as about as good an Eastern race as can be found; indeed, from my experience gained when travelling, I regard them as the pick of the Eastern races, but, at the same time, they ought to keep to their own country. There is a piece of Scripture which is very often not fully quoted. We are told that God “hath made of one blood all nations . . . of the earth . . .,” but there is a second part which is often omitted, namely, “and hath determined . . . the bounds of their habitation.” I contend that the Chinese ought to be kept to their own country.

Senator GRAY.—On that assumption, what right have we in the Transvaal?

Senator PLAYFORD.—We got the Transvaal by right of conquest, and the honorable senator knows that in this world might, to a certain extent, is right. To a very great extent it is. As a rule, the conquerors of a country are the most deserving people to survive, because they are the most advanced. When they come in contact with an inferior race very frequently they supplant that race, and with results which are beneficial to the community as a whole. It is far better that 4,000,000 civilized white persons, should be inhabiting Australia than that it should have been left to a few hundred thousand miserable specimens of humanity in the shape of aborigines.

Senator HENDERSON.—The argument is very elastic.

Senator PLAYFORD.—It is very true, though.

Senator TURLEY.—What becomes of the Scriptural quotation?

Senator PLAYFORD.—I think that the Circassian race can prosper in practically any part of the temperate zone, and also in portion of the tropics.

Senator MCGREGOR.—The honorable senator might have pointed out that the Scriptures also say that—

God shall enlarge Japheth, and he shall dwell in the tents of Shem.

Senator PLAYFORD.—I believe that there is some statement to that effect in the Bible but it contains many statements about the accuracy of which we are not

absolutely sure. I wish to point out that we made a protest against the introduction of Asiatics into the Transvaal, and received a reply. The sum and substance of the reply which we received from Lord Milner is contained in this extract from his cablegram—

Supply of labour available from these native races is quite inadequate to meet requirements of country, and no effective means of increasing the supply which has been suggested have been left untried.

I doubt the accuracy of that statement. I believe that they have left untried a great many means—

White labour is not available in sufficient numbers, or willing to work at wages which mines in this country can afford to pay.

Is that a true statement?

Senator DAWSON.—No.

Senator PLAYFORD.—The evidence which we have—that the mines are paying from 20 to 150 per cent., and yielding a greater percentage of gold per ton of ore than is the case in Australia, where we employ white labour at a profit—shows that a mistake must have been made somewhere. I am inclined to believe that the question of wages weighs very heavily with the directors and shareholders of the mining companies. It is not the whole question with them. Behind that question is the fear that if they did employ white labour it would not be so subservient to them as black or yellow labour.

Senator DOBSON.—There is a third question—that by employing Chinese in the mines more work would be made for the white men.

Senator MCGREGOR.—No.

Senator DOBSON.—That is what they think and say.

Senator PLAYFORD.—That is what they try to stuff the poor unfortunate whites in the Transvaal with. It is the same cry that they had in Queensland years ago. It was said that the more kanakas they could get into the country the more employment would be found for white men. A little reflection should satisfy any one that it is an untrue cry. Whichever labour the mine-owners employ in the workings underground, quite as many white men will be wanted as engineers, and to fill the highest positions. If the statement is examined closely it will be seen that it was only a subterfuge to induce the white people in the Transvaal to sign the petitions which have been quoted from. It is the usual

dodge which is resorted to, as we all know from our experience in our own country.

Senator DOBSON.—Does the honorable senator think that Lord Milner would resort to dodges and subterfuges?

Senator PLAYFORD.—I do not believe that Lord Milner had anything to do with the getting up of these petitions.

Senator DOBSON.—He said that if 10,000 Chinese were imported there would be employment for 10,000 more white people.

Senator PLAYFORD.—He only stated what he was informed. In his cablegram he told us that he sent his reply after having consulted with his Executive Council; he did not send it as his own reply. My honorable and learned friend must know that Lord Milner only speaks from information which he has received, and mostly from one source. We know what these people are. It is a crying disgrace that we fought to gain freedom for our own people in South Africa, only to find that our people are not to be employed in the mines and the works of the country. Senator Gould has stated that the British Government snubbed us because we dared to approach them on the subject. They did nothing of the sort. In their answer to the telegram sent by the Prime Minister of New Zealand—which ought to show what their mind on the subject was—they said—

His Majesty's Government declares that its policy is to treat the Transvaal as though it was a self-governing colony, unless a distinct Imperial interest is concerned, and to interfere as little as possible with local opinion and local wishes. This policy has many reasons to support it, but among others they are based on the conviction that each of the States of the Empire, by reason of its direct interest and special knowledge of the conditions affecting it, is best able to deal with its own problems. It is this conviction which guided His Majesty's Government in its action in regard to the question of alien races in New Zealand and Australia.

In a previous part of the reply, the Secretary of State for the Colonies says—

I fully recognise the title of all the self-governing colonies to explain their opinion on so important a question.

In this motion we only express our opinion. We utter a note of warning, and say in effect "In our case we found the disadvantage of a large influx of Chinese at one period of our history. You will only find out this disadvantage yourself if you persist in introducing Chinese. Be warned by our example, and keep them out of the country." We gave the reasons for our warning. We were not snubbed because we took that

step, but the Secretary of State for the Colonies said—

I fully recognise the title of all the self-governing colonies to explain their opinion on so important a question, and especially of those who like New Zealand rendered memorable services in the South African war.

Where is the snub which Senator Gould said that Mr. Seddon had received, and which we had received by implication? We did not telegraph directly to the British Government, but to the Transvaal Government, and we received a reply. Certainly it did not satisfy us, but it was courteous in its tone, and did not object to our warning them in the circumstances. The reply which Mr. Seddon received from the Secretary of State for the Colonies directly recognised that he had a perfect right to approach the British Government on the subject. We have a perfect right in the circumstances to express our view. I hope that better counsels will prevail, and that there will be no necessity to enforce the Ordinance which has been passed. If it is put in force I trust that it will only be allowed to operate for a very short period. A great mistake will be committed if from 10,000 up to 200,000 Chinamen are allowed to enter the Transvaal.

Senator DOBSON.—Ought we not in the motion to point out that this is an Imperial question?

Senator PLAYFORD.—In the motion we state our opinion as plainly and concisely as we can, and we can do no more. It is of no use making a great song about the matter. If this motion is carried here practically unanimously, and a similar one is carried in another place practically unanimously, it will show the British Government that when the Prime Minister of the Commonwealth on the one hand, and the Premier of New Zealand on the other, uttered their note of warning they expressed the opinion, not only of themselves and of their Governments, but of united Australasia. It has been frequently said of a communication from the Prime Minister as was said of the communication about preferential trade, "Oh, that is only an expression of his opinion. What is the opinion of the people behind him?" The passing of this motion will show that the representatives of the people speak on this matter with no uncertain sound, and I feel quite sure that it will have great weight in the councils of the Empire. I believe that after each House of this Parliament has indorsed the opinion which has

been expressed by the Prime Minister of the Commonwealth and the Prime Minister of New Zealand, the small majority which they have in the House of Commons will not induce the British Government in the long run, at all events, to refuse to give heed to the wishes of a people who have had practical experience of the Chinese, and whose only desire is that South Africa shall be a desirable place for our own race to settle in, and that if there is to be employment in mines, in farms, and in other directions, our own race shall be given a chance. I believe that the united voice of Australasia on the subject will unmistakably have very considerable effect, not only in Great Britain, but in the Transvaal.

Senator DOBSON.—Is not the honorable senator going to move to modify the motion?

Senator PLAYFORD.—The modification which I desire to make does not touch the substance of the motion. It has been suggested to me that the words "emphatically protests against" are a little too strong, and that it might be as well to use in their place the words "records its grave objection to." I think that the latter phrase would be equally as effective as the former. I move—

That the words "this House emphatically protests against," be left out, with a view to insert in lieu thereof the words "the Senate records its grave objection to."

Senator MCGREGOR (South Australia).—I accept the amendment, and I desire to say a word or two in reply, in order that I may thank honorable senators for the unanimous way in which they have supported the motion. I desire also to congratulate our honorable friend Senator Dobson upon having stripped off the garments of conservatism. I do not know what the honorable and learned senator looks like now in the eyes of his best friends. He reminds me of a hawker we had in South Australia who used always to go about in a dilapidated condition, and was a subject for the ridicule of his wife because his clothes were not good enough. He bought a new suit of clothes in order to surprise his wife, and he put them in the back of his van. When he got to a lonely place on the road he took off all his clothes and threw them in the river, and they were swept away. Then, when he groped for the parcel in which his new clothes were, lo and behold, it had either been stolen or had dropped out of the waggon, and when he got home his wife got a greater surprise than he had intended she should get. That is the position in which Senator Dobson

is, because, although he rose professedly with the intention of supporting my motion, he said everything he could against it. His action also reminded me of the prophet who went to curse and found that he could not give anything but a blessing. The honorable and learned senator has reversed that action. He pretended to support my motion, but every word he said was in opposition to it.

Senator DOBSON.—I gave honorable senators the facts.

Senator MCGREGOR.—Senator Pulsford declared that I was always depreciating and doing everything I could to bring contempt upon the coloured races. Those who have previously heard my statements with respect to the way in which I was treated by members of the coloured races will surely recollect that I have never had any ill-feeling towards them. It is not because I wish to cast reflections upon the coloured races that I have moved a motion of this description, but because I am far more interested in the welfare of the British Empire than are those who are prepared to throw the apple of discord into a country like South Africa. Everyone must recognise that when brought to its legitimate conclusion, instead of bringing that peace which we should all like to see, the raising of the question, the introduction of Chinese into a country like South Africa is bound to bring about dissension, and the British Empire is more likely to suffer from the introduction of these alien races into that country than it is to benefit by it. It is for these reasons that those who have an interest in the British race, or in the welfare of the Empire, object to the introduction of anything, whatever shape or form it may take, that will have a tendency to lower its prestige in the world. I hope that Senator Dobson will realize these facts, and will understand that we have no intention of doing anything that will injure the British Empire, but on the contrary, desire always to do everything we possibly can to maintain its dignity. I am very pleased that a motion such as that which I have moved will be carried unanimously. I do not believe a single honorable senator will raise his voice against it. I agree to the amendment moved by the Vice-President of the Executive Council, and I thank him for the manly way in which he has spoken out to-night upon this question. I am very glad to be able to agree to the amendment which he proposes, because it suggests the form in which the motion

is likely to be introduced and carried in another place. I hope the motion will be carried, and I trust that the Government will in the very near future be able to communicate the motion agreed to by both Houses of the Federal Parliament to the Imperial Government. I have no doubt that the result will be beneficial, not only to the Empire, but to all its colonies.

Amendment agreed to.

Question, as amended, resolved in the affirmative.

PAPERS.

Senator PLAYFORD laid upon the table the following papers:—

Transfers of amounts approved by the Governor-General in Council, financial year 1903-4, under the Audit Act.

Regulations under the Electoral Act.

The CLERK OF THE PARLIAMENTS laid upon the table the following paper:—

Return to an Order of 4th March relating to contract post-offices.

Senate adjourned at 9.38 p.m.

House of Representatives.

Wednesday, 16 March, 1904.

Mr. SPEAKER took the chair at 2.30 p.m., and read prayers.

MELBOURNE ELECTION.

Sir JOHN FORREST.—I wish to make a further statement to the House in reply to a question asked by the honorable and learned member for Corinella yesterday. It is this: I am advised that new names may be added to the electoral rolls of persons who are qualified under the Franchise Act, and who have applied for enrolment prior to the issue of the writ. Consequently all persons who have applied since the issue of the writ for the election on the 16th December last, and whose claims are in order, will be enrolled for the election to be held on the 30th March. All electors whose applications for transfer have been received by the returning officer or registrar before the issue of the writ will also be enrolled, and entitled to vote at the election.

COMMONWEALTH STOCK.

Mr. DUGALD THOMSON.—I wish to know from the Treasurer if steps have been taken to have Commonwealth stock placed upon the list of British trust investments,

so that that stock, when issued, may not be at a disadvantage as compared with State stock?

Sir GEORGE TURNER.—The matter has not been overlooked. I brought it under the attention of the Prime Minister some time ago, in order that the necessary steps might be taken for the introduction of a Bill for the Act required to give the guarantee necessary before the British Government will put stock upon the trustees' list. As there is no Commonwealth stock now on the London market, nor any likely to be placed there in the near future, that Bill was not introduced last session, but it will probably be dealt with this session.

COST OF ELECTIONS.

Mr. G. B. EDWARDS.—On Tuesday last there appeared a statement in the press setting forth the cost of the recent general elections, in which there are manifest errors. For instance, the cost of the East Sydney election is put down at £781, though I am informed that it was not anything like so much; while the cost of the West Sydney election is stated as £265, when in point of fact it cost much more. Of course, arguments and deductions drawn from such statements must be quite wrong.

Sir JOHN FORREST.—My attention has been drawn to the matter. It appears that some of the accounts for the divisions named were by some mistake charged to the other division; but before the statement was finally revised for presentation to Parliament, the errors to which the honorable member refers were discovered and rectified. I do not know why there was such a hurry to give the information to the press before revision; but those are the facts of the case. The correct information was placed upon the tables of both House of Parliament.

COLONEL PRICE.

Mr. PAGE.—I wish to know from the Minister for Defence if the article appearing in this morning's *Argus*, and headed, "Colonel Tom Price. A Question of Retirement. An Interesting Position." contains the facts of the case. Has his attention been called to the matter?

Mr. CHAPMAN.—I do not know what foundation exists for some of the statements which have been published in the *Argus*, but I shall be very pleased to make inquiries on the subject for the information of the honorable member.

WIMMERA ELECTION.

Mr. FULLER.—Does the Minister for Home Affairs object to lay upon the table the instructions issued to the returning officer as to the receipt or non-receipt of the "Q" votes at the Ni-Ni polling place during the Wimmera election?

Mr. DEAKIN.—I have obtained a copy of those instructions; but perhaps I may be taken as answering the honorable and learned member's question if I read the reply which has been furnished to me in answer to a letter appearing in one of to-day's newspapers, and signed by the unsuccessful candidate, Mr. Max. Hirsch. It is this:—

Mr. Hirsch asserts that the reply to the honorable member for Illawarra yesterday contains a "positive misstatement of fact" as to the advice given by the Attorney-General's Department. There was no misstatement.

That advice was given in writing on 21st December last, is recorded in both Departments, and a copy is attached. It exactly agrees with the statement made yesterday.

Mr. Garran's memorandum, there referred to, is as follows:—

Memo. for the Secretary,

Department of Home Affairs.

The polling booth at Ni-Ni not having been opened on polling day, the proper course is for the returning officer or presiding officer to adjourn the polling to another day, and give notice of the adjournment, as provided by section 153 of the Act.

A difficulty arises as to whether, at the adjourned poll, "Q" declarations should be accepted from, and ballot-papers given to, electors enrolled for other polling places in the division.

This is a matter in which the presiding officer must use his discretion. For the guidance of that officer, if he desires advice, I may say that in my opinion the adjourned poll being only for that polling booth, only those persons whose names are enrolled for that polling place are entitled to vote.

As, however, the matter is not wholly free from doubt, it might perhaps be desirable to allow "Q" declarants to vote, if the ballot papers can be kept separate—e.g., by taking their votes at a separate booth, with a separate ballot-box. The officer conducting the scrutiny would then decide in his discretion whether to count the votes or not; and in the event of a petition the Court of Disputed Returns would have the materials for declaring the result of the election.

(Signed) R. R. GARRAN,

Secretary, Attorney-General's Dept.

21/12/03.

Mr. Hirsch's statement that portion of the judgment of the High Court was "suppressed" in my reply is equally unfounded. To correct the misleading effect of an isolated passage quoted from the judgment of the *Argus*, I quoted the immediate context of that passage. Nothing was suppressed, and no such inference was drawn as is suggested by Mr. Hirsch.

The additional passage from the Chief Justice's judgment quoted by Mr. Hirsch also involved what he would term "a suppression of fact," since he omits the following very relevant passage:—

"It has been pointed out that if the view of the petitioner was accepted, the result would be that, when by accident one polling-place in an electorate was not open on election day, there would be, in effect, two entirely separate polls for the whole electorate, because when the adjournment came each party knew exactly how many votes had been cast for him, and each would collect together all the electors who had not voted before, and bring them to the adjourned poll, thus making practically a fresh election. In view of the provision that all elections should be held on the same day, it was plain that the Legislature thought that was a very undesirable thing to happen."

Mr. FULLER.—Can the Prime Minister say whether that opinion was forwarded to the returning officer prior to the date of polling?

Mr. DEAKIN.—I shall be happy to ask the Minister for Home Affairs to inform the honorable and learned member. The opinion I have read was sent to the secretary to the Department for Home Affairs, and forwarded by him to the Chief Electoral Officer. What further steps were taken I am not at present in a position to say.

NEW MEMBER.

Mr. CAMERON made and subscribed the oath of allegiance as member for the electoral division of Wilmot.

ELEVENTH AUSTRALIAN INFANTRY REGIMENT.

Mr. CARPENTER asked the Minister for Defence, *upon notice*—

Whether the 11th Australian Infantry Regiment (W.A.) is the only regiment on a non-paying footing. If so, why?

Mr. CHAPMAN.—In reply to the honorable member I have to state—

The 11th Australian Infantry Regiment is not the only regiment which is not paid.

MEDICAL SCHOOL OF INSTRUCTION.

Mr. HUTCHISON asked the Minister for Defence, *upon notice*—

Why has the Medical School of Instruction for the South Australian Medical Corps been postponed, in view of the fact that members, in some cases at great inconvenience, had made arrangements to attend?

Mr. CHAPMAN.—In reply to the honorable member I have to state—

The General Officer Commanding reports that there is no officer available for giving the required instruction or supervision for the period previously arranged.

CUSTOMS OFFICERS AT BROOME.

Mr. FRAZER asked the Minister for Trade and Customs, *upon notice*—

1. Have any officers in the Customs Department at the Port of Broome been suspended, removed, or discharged recently?

2. Have any charges been made or is any inquiry proceeding in connexion with officers at this port?

3. If officers have been discharged, what is the nature of the charges laid against them?

Sir WILLIAM LYNE.—In reply to the honorable member's questions—

1. No officers have been suspended. Two of the officers who performed Customs duties at this Port were State officers who acted for the Commonwealth, by whom the salary of one of these was partly paid. The State Government has been notified that the services of these State officers are no longer required. It is intended to remove the junior officer, who is not in the State service, to another position.

2. No charges have been made, but inquiries into matters at this port are continuing.

3. Officers have been dealt with as described in answer No. 1. Reports prove that the business was conducted in a very lax manner.

DUTY STAMPS AND PROMISSORY NOTES.

Mr. HUME COOK (for Mr. KENNEDY) asked the Postmaster-General *upon notice*—

Whether the Postal Department is responsible for the suspension of the sale of duty stamps and promissory notes by postal officials in charge of contract post-offices; if not, will the Postmaster-General inform the House how the present condition has arisen under which duty stamps and promissory notes are not purchasable by the public at contract offices at present?

Mr. DEAKIN.—On behalf of the Postmaster-General, I have to say that—

The sale of duty stamps and promissory notes is under the control of and regulated by the State Government. The Postmaster-General is not aware of the reasons why such stamps and promissory notes are not supplied to officers in charge of contract post offices for sale to the public.

ELECTION STATISTICS.

Mr. SYDNEY SMITH asked the Minister for Home Affairs, *upon notice*—

1. What are the numbers of electors enrolled (male and females separately) for the Divisions of Riverina, Darling, Barrier, Lang, Parkes, and East Sydney?

2. The number of votes recorded for Sir William Lyne and Mr. W. C. Goddard respectively for the Hume Division at the General Election of 1901.

Sir JOHN FORREST.—In reply to the honorable member's questions—

1.—

Division.	Electors Enrolled.		
	Males.	Females.	Total.
Riverina ...	11,647	6,516	18,163
Darling ...	10,225	5,043	15,268
Barrier ...	12,463	6,814	19,277
Lang ...	18,877	20,019	38,896
Parkes ...	15,246	21,609	36,855
East Sydney	14,908	20,110	35,018

2.—
HUME DIVISION—GENERAL ELECTION,
1901.

Candidate.	Votes Recorded.
	Males only.
Lyne, Sir William ...	3,965
Goddard, W. C. ...	3,359
(Informal, 88.)	

At that time only men exercised the right to vote.

GOVERNOR-GENERAL'S SPEECH : ADDRESS IN REPLY.

Debate resumed from March 15 (*vide* page 542), on motion by Mr. MAUGER—

That the Address be agreed to by the House.

Sir JOHN FORREST.—(Swan—Minister for Home Affairs).—Honorable members opposite may think that, as the Government are always anxious to expedite public business, I am not altogether acting in accordance with that desire in rising to speak upon the Address in Reply. But my excuse is that I am one of the few members of this House—there are only five altogether—who represent the far-off State of Western Australia; and I think that it is incumbent on all of us to be, perhaps, a little in evidence on such occasions. Otherwise it might be thought by the people of our State, and, perhaps, by the people of Australia generally, that Western Australia had no efficient representation in this House. I also regret as much as any honorable member can do that on the few occasions when I have had the opportunity of addressing the House, I have had to refer to matters which particularly affected my own State. That was not because I am out of sympathy with the conditions or the affairs of other parts of Australia, or cannot take a sufficiently wide view to consider them; but because Western Australia has such a small representation. On the other hand, the great States of New South Wales and Victoria are so largely represented, and have so much influence here that it appears to me that it is not so necessary for their members to speak in regard to their affairs. I cannot forget that Western

Australia is far away from the eastern States, that she occupies an immense area which is sparsely settled, having only a little over 230,000 people all told, and that she is isolated. We in Western Australia have no means of communication with these States except by a four days' voyage by sea to Adelaide. I am very sorry at the beginning of my remarks to have to admit that this isolation is already spoiling the Federal sentiment in Western Australia; and unless some means are taken to prevent it, and that pretty soon—or at any rate unless some hope is extended to the people of that State—all I can say is that that Federal sentiment must continue to get weaker, and must soon end—I assure the House that I hope that it will not be so—in open hostility.

HONORABLE MEMBERS.—Oh!

Sir JOHN FORREST.—I do not think that that is an improper remark for me to make. I am only stating what I fear will be the case. I very much regret it, and I hope some means will be taken to prevent it. There can be no doubt that the idea of Federation and the very meaning of the word is a joining together. Those who desire the success of Federation must assist in the first instance, in removing isolation. Whether rightly or wrongly, there is no doubt whatever of the fact that the people of Western Australia—a large number of them at any rate—in agreeing to join in a Federation with their fellow countrymen in other parts of Australia, believed, and had good reasons for the belief, that the union would soon result in the barrier of isolation being removed. They believed that they would soon have railway communication between Western Australia and the eastern States of the continent. That was the main lever used by all of us who advocated Federation. It was the lever used by the prominent men in Eastern Australia to influence those who had lived so long in isolation, and who had become accustomed to that position. They were told that this communication of Western Australia by railway with the eastern States must be an early result of Federation. We all, I think, admit that, Australia being an island continent, inhabited by the same race of people, there is no room here for six different and almost sovereign States. If it were otherwise—if we were different peoples with different habits and different ambitions—the case might be different; but that is not so. We all come from the same stock; we have the same

history ; we have the same ambitions for the future ; we are citizens of the same Empire. Therefore, there is no room upon this continent for six sovereign States with independent Governments. The argument was excellent when we all used it, that union was not only necessary, but reasonable and businesslike ; but it must be a real union, and not one in name only ; not a sham, such as our union is at present, and such as it must continue to be so long as we have no means of communication between the great western and the great eastern States, except by embarking upon a four days' sea voyage, for the greater part of the journey far out of the sight of land.

Mr. GLYNN.—How did the American States get on before the use of steam was introduced?

Sir JOHN FORREST.—I do not know, but should say very badly. I think that we may judge of our own case for ourselves. The honorable and learned member is so erudite that it is of no use for me to attempt to cross swords with him. I recognise that no honorable member in this House has a mind stored with so many historical facts as he has. Unfortunately, 1,000 miles of practically uninhabited country will have to be traversed by the proposed railway. That makes the position more difficult than it would be if settlements were established at frequent intervals along the route of the railway. I am glad, however, to be able to say that some real advance has been made in this matter, and that the Governor-General's Speech conveys the information that the Government intend to ask the House to approve of a survey being made.

Mr. WILKS.—Did not the Minister write that paragraph?

Sir JOHN FORREST.—I did not.

Mr. POYNTON.—Is it true that the Minister has decided that the survey shall be made for a railway by way of the Gawler Ranges, and not through Tarcoola?

Sir JOHN FORREST.—I have not decided anything. No doubt a railway could be constructed by the Gawler Ranges route for £500,000 less than by the Tarcoola route, and as the House is in an economical frame of mind, that consideration may weigh with them. That, in itself, however, is not a sufficient reason why the route should be adopted. I wish to see the railway constructed, and I am not very particular as to which route it follows. The project for the construction of a railway to

connect Western Australia with the eastern States was not received with much favour when it was first submitted to the House ; but I am glad to say that it is now viewed with more favour, and that it has gained ground in the estimation of the people. Even in South Australia—where, for some unknown reason which I could not understand, the project was regarded with disfavour—I believe that the people are beginning to see that it would be very beneficial to them, and would confer as great an advantage upon South Australia as upon Western Australia, and I look forward to the time, and that very soon, when any objection that may have been raised by that State will be removed. I have not the slightest doubt that success will attend our efforts, but whether immediately or some time hence must depend largely upon public opinion. We shall have to be content to wait till Parliament, with full information before it, is able to arrive at a decision in regard to it. There is no use in my saying that it is a good project, that it would prove payable, or that it would impose no burden on the people of Australia. What I have to do, and what the people of Western Australia and all those interested have to do, is to use every effort to induce the House and the country to view it with favour. I have always been content to accept that position. I have, however, always entertained a very strong objection to a situation in which any State should be able to say—"We shall prevent you people of Western Australia from being connected with the other States by rail ; we shall not allow you to be brought into communication with your neighbours by railway, because there is a section in the Constitution which says that our consent has first to be obtained." I have no hesitation in saying that that section was not embodied in the Constitution with any idea that it could be availed of for such a purpose. The design of the framers was to prevent the Commonwealth from interfering with the States in regard to matters relating to inter-communication within their own territory, and it was never contemplated that one State should be able to block another from being connected with the other States by railway. Any such idea would be absurd, and entirely opposed to the principles of Federation. No State with any self-respect would be content to rest under such a condition for a minute, and if I thought that South Australia or any other State would be able for long to

prevent Western Australia from being connected with the other States by rail—to prevent that inter-communication between the States which is the very life-blood of Federation—I should say—“This Federation is a fraud; we have been led into it by false pretences, and the sooner we get out of it the better.”

Mr. WILKS.—What about the Federal Capital? We must have that first.

Sir JOHN FORREST.—I am quite as strong as is the honorable member in the desire to see the capital question settled. If any one imagines that we are not going to have railway communication between the east and west of Australia, I say to him that he is a little Australian, and has no faith in the future of his country. Federation, without means of communication between the great west and the great east of the continent would be meaningless. It would have absolutely no significance whatever.

Mr. JOSEPH COOK.—What does the Treasurer say upon the subject?

Sir JOHN FORREST.—I am not committing the Treasurer. We only want the railway when Parliament is prepared to grant it. Now I shall have to say some things which are not so pleasant as I might desire, but I am determined to give utterance to them, because I have a duty to perform, not only to myself, but to the people of the State I represent. Among the foremost men in Australia who promised—indirectly if not directly—that Federation would be the forerunner of railway communication between the east and west of Australia was the then Premier of South Australia, the right honorable and learned member for Adelaide. On the 9th April, 1899, when I was Premier of Western Australia, he wrote to me as follows:—

Our near constitutional connexion, resulting from Federation, is in itself a boon of great worth to all included within its sphere. I cannot help thinking, also, that it must, at no very distant date, result in the connexion of east and west by rail through the medium, say, of a line between Port Augusta and your gold-fields.

There is no mention there about Esperance Bay.

This would, indeed, be an Australian work worthy of undertaking by a Federal authority on behalf of the nation, in pursuance of the authorities contained in the Commonwealth Bill. It is, of course, a work of special interest to Western Australia and South Australia, and I devoutly hope that the day is not far distant when the representatives of Western Australia and South Australia may, in their places in a Federal

Parliament, be found working side by side for the advancement of Australian interests in this and other matters of national concern.

On the 4th September of the same year my right honorable friend wrote to me as follows. I may say that this was before the referendum in Western Australia—

With Federation assured, the Federal construction of the railway is in our opinion undoubtedly the best means for carrying out this great Australian undertaking. We hope that it will not be long before Western Australians and South Australians are co-operating in the Parliament of the Commonwealth to bring this about, and we repeat that you can rely on South Australia's sympathy and support.

Mr. O'MALLEY.—The right honorable gentleman will obtain sympathy from South Australia, but no support.

Sir JOHN FORREST.—So far we have not been favoured with much of either.

Mr. KINGSTON.—The right honorable gentleman has had both. Western Australia is offered two railways instead of one.

Sir JOHN FORREST.—I would point out to the right honorable and learned member for Adelaide that in the communication which I have quoted no mention is made of a railway from Esperance Bay to the gold-fields. It refers only to the projected transcontinental line from Western Australia to South Australia. I repeat that we have had neither sympathy nor support from the latter State. For three years the Commonwealth Government have persistently endeavoured to secure permission from that State for the railway to pass through its territory. So far, we have been unsuccessful. The authorities have neglected to give proper consideration to the requests which have been made by the Commonwealth Government.

Mr. KINGSTON.—Why, the very first speech which the Minister made in this House contained a threat of disruption and nonsense of that sort.

Sir JOHN FORREST.—I am discussing the question of the railway.

Mr. JOSEPH COOK.—We also complain of neglect of the Federal Capital question.

Sir JOHN FORREST.—The honorable member will be quite satisfied with my attitude upon that subject. But in connexion with the transcontinental railway, I should like to ask what the right honorable and learned member for Adelaide has done during all this time. He has done absolutely nothing. He has never asked the people of South Australia to respect the promises which he made. His action strongly recalls to my mind the old fable of the spider and the fly. “Will you walk into my parlour?” said the spider to the fly—and Western Australia

walked in. The right honorable and learned member, who in a public capacity made all these promises—which were very acceptable to Western Australia—occupying as he did a most responsible position, has never yet come out into the open and said, “I made these promises, and I ask South Australia to respect them.” He has never asked the people of what he terms “My own dear State” not to dishonour themselves or their country by repudiating the pledges which he made on their behalf. But instead, what has he done? He has done even worse than nothing. He has sought to impose a new condition; he declares that whilst he favours the construction of a railway from A to B, it is conditional upon a line being built from B to C.

Mr. KINGSTON.—Thus giving both sides double the convenience which they would otherwise obtain.

Sir JOHN FORREST.—To what “both sides” does the right honorable and learned member refer?

Mr. KINGSTON.—To the east and west.

Sir JOHN FORREST.—The new condition which the right honorable and learned member seeks to impose is notoriously one which at the present time is not acceptable to the people of Western Australia. If an individual pledges himself to do a certain thing, in certain eventualities, and when the time comes for redeeming his promise seeks to qualify it by adding to it a new and objectionable condition, which he knows will not be acceptable to the other party, what can be said of his conduct? Yet that is precisely the position which is taken up by the right honorable and learned member for Adelaide. For ten years the construction of a line of railway from Esperance Bay to Coolgardie has been a subject of controversy in the western State. I was prepared to construct a line from Coolgardie to Norseman, and upon two occasions I endeavoured to obtain the necessary legal authority for the work, but was not able to pass the Bill through both Houses of Parliament. That, however, is no reason why those who made promises in the eastern States of Australia should now seek to attach to such promises another condition of a controversial character. If any honorable member can urge that that is fair treatment, I have no more to say. I hold, however, that the new condition which the right honorable member for Adelaide seeks to impose was quite outside the contract. While I

was grateful to him for the letters which he wrote me in connexion with the transcontinental railway, I should be much more grateful to him if he would keep the promises he made in their entirety and not seek to get out of his promise by adding to it an impossible condition; otherwise he might just as well openly avow that he is not prepared to fulfil the promises which he made.

Mr. FOWLER.—That is the object of tacking on the new condition.

Mr. KINGSTON.—Does the Minister know that the estimates of the probable revenue that will be derived from the overland line which he is putting forward will be reduced by more than half if the Esperance line be constructed?

Sir JOHN FORREST.—The right honorable and learned member, having made a promise, which we acted upon as a *bonâ fide* one, is now seeking to impose new conditions.

Mr. KINGSTON.—Will the Minister deny that the estimates which he is putting forward will be falsified by 50 per cent. if there is a line to Esperance?

Sir JOHN FORREST.—I do not think that they will.

Mr. KINGSTON.—Will they not be affected?

Sir JOHN FORREST.—They will not be affected at all. The right honorable and learned member labours under a disadvantage as compared with myself, inasmuch as he does not know the country.

Mr. KINGSTON.—I know what the official estimate is, and the Minister ought to, but does not.

Sir JOHN FORREST.—If a person at Kalgoorlie desired to visit the fair city of Adelaide, I ask honorable members by which route he would prefer to travel? Would he go by rail direct, and thus arrive at his destination within 36 hours, or would he travel 247 miles by railway to Esperance, and there await a steamer by which to complete his journey—a distance of nearly 1,000 miles by sea?

Mr. KINGSTON.—The officials who made the original estimate say that the estimated revenue from the transcontinental line will be diminished 50 per cent. if Western Australia constructs the Esperance line.

Sir JOHN FORREST.—That would be a very good reason for not carrying out the proposal.

Mr. KINGSTON.—We should reserve the right to the Federation to construct the Esperance line.

Sir JOHN FORREST.—Our simple proposition is that Western Australia should be connected with the eastern States. With the exception of the Norseman gold-fields, some 105 miles from Coolgardie, there is nothing calling for a railway between Esperance and Coolgardie and Kalgoorlie. There is nothing at Esperance Bay itself which would warrant the construction of such a line. The people of Western Australia simply desire to have railway communication with the eastern States.

Mr. KINGSTON.—Does the right honorable member think that in the matter of ordinary freights land carriage can compete with water carriage?

Sir JOHN FORREST.—I am not prepared at this stage to enter into the consideration of that question.

Mr. KINGSTON.—I am in possession of the facts, which show that the old estimate of revenue would be reduced by 50 per cent. by the Esperance line.

Sir JOHN FORREST.—I wish that the right honorable member would allow me to proceed. It is useless for him to attempt to interrupt me, because I have been too long in the field of politics to be drawn off the track by his interjections. Even if a railway were built to Esperance, I feel satisfied that the major portion of the traffic between the eastern States and Western Australia would be chiefly by way of Fremantle. The volume of trade is with the last-named port, and it always will be. I am of opinion that to build the railway to Esperance Bay, erect light-houses, and carry out other works necessary to make it a safe and commodious harbour, would cost £1,000,000. Seeing that Western Australia has gold-fields all over her territory to develop, she is not, I should say, prepared at present to spend so large a sum in opening up a new port, when she has already spent £1,250,000 on the port of Fremantle. I do not intend to say anything further at this stage in reference to this matter. I come now to the question which agitates the mind of my honorable friends from New South Wales.

Mr. JOSEPH COOK.—Would it not be well for the Minister to take honorable members over to Western Australia?

Sir JOHN FORREST.—I should be very glad to do so, and to act as their cicerone. So far as there may be any reason for the belief that the Government of Australia, or the people of the other States, are unwilling to carry out the constitutional obligation relative to the construction of the

Federal Capital, I am quite in accord with the position taken up by the people of New South Wales. But I think that they are nursing a grievance which really does not exist. I have never heard a suggestion at the councils of the Cabinet that that obligation should not be fulfilled, nor have I ever heard any member of the Government give expression to such an opinion even in private.

Mr. FULLER.—We trust that the Minister will do better than his predecessor.

Sir JOHN FORREST.—There were many matters which required attention at the inauguration of Federation, and which stood in the way of the immediate fulfilment of this obligation. It is well that in regard to a question of this kind there should be no undue haste.

Mr. LONSDALE.—The Government will settle the matter this session?

Sir JOHN FORREST.—No doubt we shall do so. I believe that the Prime Minister intends that the question shall be determined as soon as we are in possession of the necessary information to place before the House.

Mr. POYNTON.—Will the Government accept the responsibility of recommending one particular site?

Sir JOHN FORREST.—It would be unreasonable to expect the Government to do so. What would be the position of those honorable members of the Government who have pledged themselves to the selection of certain sites? It would be unfair and unreasonable to expect them to be tied down to a party vote. If, for instance, the Government proposed that the Federal Capital should be established at Tumut, one of their members would almost be forced to resign, while if we were to ask the House to select Bombala another honorable member of the Government would have to consider his position.

Mr. LONSDALE.—Then the Government will not choose either site?

Sir JOHN FORREST.—The position which we take up is, in my opinion, the correct one. As a representative of the people of Australia, I desire to exercise a free choice; I desire to be free to vote as I think fit in the matter of the selection of the site of the capital of the Commonwealth. The Prime Minister would be charged with unfairness if he tried to bind his colleagues and his supporters to one particular site. This is a national matter, quite beyond the scope of parties, and it is far

better that honorable members should be allowed to cast their votes free from all party ties.

Mr. DUGALD THOMSON.—And after we have voted on the question how long will it be before the Capital is established?

Sir JOHN FORREST.—I take it that as soon as the question has been determined by Parliament it will be the duty of the Government to proceed with the work.

Mr. LONSDALE.—Will the Ministry stand by the decision of this House?

Sir JOHN FORREST.—I think that questions of this kind should be addressed to the Prime Minister. Among the members of the Government is the honorable member for Hume, who certainly does not wish to see New South Wales deprived of its right to the Federal Capital, nor can it be said that the Minister of Defence, another representative of New South Wales, desires that the capital should not be established in that State. In his speech at Ballarat the Prime Minister declared that the obligation must be faithfully carried out, and it seems to me that that was a definite statement. I shall now put before the House the statement which I made to the electors of Western Australia at the last elections. I was not led to give expression to the opinion which I am about to quote by any desire to obtain votes, because, as a matter of fact, the people of Western Australia have not as yet taken any great interest in the question. If they have any interest at all in the matter it is simply that they do not desire to see expenditure on any undertaking that is not urgently required.

Mr. McCAY.—Except the transcontinental railway.

Sir JOHN FORREST.—They believe that that railway is necessary to the State of Western Australia, and that it will be of great service to the Commonwealth.

Mr. LONSDALE.—That is the true Federal spirit—"get all you can for yourselves."

Sir JOHN FORREST.—The people of Western Australia are far removed from the eastern States. They are not in touch with the people of New South Wales. We are really a small and isolated community, and it is no matter for surprise that we should give attention to questions which more directly affect us than does the matter of the erection of the Federal Capital. In my address to the people of Western Australia, I said—

I am in favour of the Federal Capital being established, as I believe it will be a great

factor in increasing the Federal spirit, and of banishing unnecessary parochialism. The great cities of Sydney and Melbourne, containing almost one-third of the whole population of Australia, must always have immense influence on the Federal Parliament; but that influence will, I think, be less potent, and less liable to be specially in evidence, when the Federal Legislature sits in its own State. The fixing of the Federal Capital in New South Wales was a special provision of the Constitution, and the undertaking must be honorably fulfilled. We must, in these and in all other similar matters, do unto others as we would they should do unto us. Unless we are willing and anxious to fulfil our promise how can we expect Australia to be honoured and respected.

Mr. FRAZER.—The right honorable member did not think that by giving expression to such sentiments he would lose votes?

Sir JOHN FORREST.—No; but I did not expect to gain any.

Mr. FRAZER.—The right honorable gentleman would gain votes by giving utterance to such an opinion.

Sir JOHN FORREST.—I am glad to hear the honorable member say so. I am sure, however, that most of my own constituents were not very deeply interested in this project. It had not been brought home to them in its full significance.

Mr. FRAZER.—But they consider that we should adhere to the Constitution?

Sir JOHN FORREST.—Of course they do. I am led to make this extract from my address to the electors, because of my desire to show that so far as I, and, indeed, my colleagues, are concerned, there is absolutely no wish to depart from the constitutional requirements as to the establishment of the capital. I should be ashamed if, after the people of New South Wales had been influenced to enter Federation because of this promise—and I believe that they were considerably influenced by the determination that the capital should be in New South Wales—we declined to carry out the obligation. To do such a thing would be most dishonorable. I wish now to say a word or two about the Conciliation and Arbitration Bill which is before the House. I have for many years believed in the application of the principle of conciliation and arbitration rather than that of force for the settlement of industrial disputes, and an Act based upon the New Zealand Conciliation and Arbitration Act was introduced and carried by me in the Western Australian Parliament, and is the law of that State to-day. I am not prepared to say that that measure has always worked well, because it has not. It is not likely that the administration

of new laws will be entirely successful at the start. Every new scheme requires working to discover its defects, and to bring about a thorough understanding of its principles, before good results can be obtained. It is so with the conciliation and arbitration laws. I believe, however, that the longer they are in force the better they will be administered. If it is seen in the future that evil, and not good, results from them, no doubt we shall retrace our steps, or substitute something better. We of the British race make many mistakes, but when we discover that we have made one, we generally find a way in which to retrieve our error, and eventually come to a position in which we are as well, if not better off, than we were before.

Mr. LONSDALE.—That process takes a long time.

Sir JOHN FORREST.—Yes, but I have such faith in the good sense of my fellow Australians that I am not afraid. The right honorable member for Adelaide is my good friend, though he sometimes seems to speak as though he had not that sympathy with me which I desire that he should have. Last session he told the people of Australia that I have no sympathy with the workers of this country. I consider that a gratuitous misrepresentation. I ask any one who wishes to test it to examine the statute-book of Western Australia for the ten years between 1890 and 1900, during which I was said to be an autocrat in that State. If any one does so, he will find there to my credit much more progressive and beneficent legislation than emanated from the Legislature of South Australia while the right honorable member for Adelaide was Premier of that State. In no decade in the history of Australia has more legislation been passed for the benefit and amelioration of the people than was passed in Western Australia in the period I refer to. Facts speak more loudly than words. I could go about making ing speeches here and there, and be a blatant democrat and radical, but I wish rather to be judged by the work I do. What has been done by many of the men who for years have been in the public life of this country? What measures can they point to and say—"These are my handiwork; I am responsible for them"? When a public man has beneficent and useful legislation to his credit — I dislike the term "democratic," because it has been so hackneyed—he has done good

for his country. But those who have only made a noise, set class against class, and quarrelled with others until the place has become unfit to live in, have done more harm than they could undo if they lived for 100 years.

Mr. KINGSTON.—The right honorable gentleman's democracy is ever in evidence when he has to bend.

Sir JOHN FORREST.—I do not wish to speak in such a way that my hearers shall not understand exactly what I think about the matters with which I deal. When I am in doubt upon a question I may say nothing in regard to it, but once I have made up my mind, I do not hesitate to express my views plainly. Therefore I wish to say that I am entirely in accord with the Prime Minister in the remarks which he made at Ballarat. I shall support again this session the position taken by the Government last session against the application of the provisions of the Conciliation and Arbitration Bill to the public servants of the States. My reasons for doing so are these: In the first place, I think that it is not necessary to extend the provisions of the measure to public servants. In the second place, it is mischievous to unduly and unnecessarily interfere with the Governments of the States in the control of their own servants. Furthermore, it was not intended by those who inserted in the Constitution Bill the provision allowing the Commonwealth to legislate in regard to industrial disputes affecting more than one State, that it should be applied as it is now sought by some to apply it. I am largely responsible for the adoption of that provision, because if I had not voted for it, and used influence which I possessed at the time to get it carried, it would have been rejected by a majority of the members of the Convention.

Mr. CAMERON.—The right honorable gentleman has no reason to be proud of that fact.

Sir JOHN FORREST. — I shall not be proud of it if the provision is made use of in the way desired by some. The clause to which I refer was proposed by the honorable and learned member for Northern Melbourne, and, in supporting it, I said that I had grave doubts as to whether I was doing the right thing. At that time I did not know the honorable and learned member as well as I know him now. His views seemed to be greatly in advance of those in my mind, and I looked upon him as a dangerous sort of politician, who was

ready to go far beyond what I should consider safe. Since then I have come to know him better, and have learned to esteem him, though he is still in his opinions far ahead of me. However, at the time I gave my reasons for supporting him, and six other members of the Convention from Western Australia voted with me.

Mr. JOSEPH COOK.—Were they not, as a matter of fact, the nominees of the right honorable gentleman?

Sir JOHN FORREST.—I do not say that ; but we voted together a good deal. The clause was carried on division by twenty-two to nineteen, a majority of three, so if my six friends from Western Australia and myself had not voted for it, it would have been rejected. If I had known, or if nine-tenths of the members of the Convention had known, that this sub-section, which we inserted for a different purpose altogether, was to be used in the way now proposed, we should not have supported it. We were thinking of the shipping strike, which had done so much harm to our trade and commerce. We had only disputes of that kind in our minds. But if I, for one, had had any idea that there would have been an attempt to exercise the provision in the way that is now proposed, I should never have voted for it. Not one of those who spoke in the Convention—and some long speeches were made—even hinted at its being applied in the way that it is now sought to apply it. That is another reason why I am totally opposed to what is now suggested. I contend that it is unnecessary, that it is an interference with the States for no sufficient reason, that the proposed application of the section was never intended by any member of the Convention.

Mr. JOSEPH COOK.—Is that the opinion of the Minister for Trade and Customs?

Sir JOHN FORREST.—I believe that it is the opinion of the Government, or I should not be expressing it.

Mr. JOSEPH COOK.—Not of all the members of the Government?

Sir JOHN FORREST.—I do not know that I am not expressing the opinion of the Government.

Mr. FISHER.—Does the right honorable gentleman think that, the sub-section being in the Constitution, it is any the weaker, because he does not believe in its proposed application?

Sir JOHN FORREST.—We had no idea of its proposed application at the time it was passed. We had not a chance of

believing in it. I say again that, if we had known of the purposes to which it would be sought to apply it, we should soon have made short work of it. I intended to say what I thought about the matter, and I have said it as clearly as possible, so that there can be no mistake about my views. When this subject came forward in Western Australia—I say this in the presence of my honorable friends from that State, who belong to the Labour Party—not one of the candidates, so far as I know, gave the matter any prominence. Neither my honorable friend the member for Perth, nor my honorable friend the member for Fremantle, said much about it. They were not anxious to parade their views on the subject in their election speeches. They were kept in the background.

Mr. CARPENTER.—I referred to it at nearly every meeting that I addressed.

Sir JOHN FORREST.—But I think that the honorable member said that it would not affect Western Australia.

Mr. CARPENTER.—No.

Sir JOHN FORREST.—I think I may say, without fear of contradiction, that if any strong opinions in opposition to the proposed application of the sub-section in question had been hammered home, as some people might have hammered them home, it would have had some effect upon the elections in that State.

Mr. CARPENTER.—The question was brought up at every meeting which I addressed.

Sir JOHN FORREST.—I may further tell the House that I said this with regard to the matter in Western Australia—

I am opposed to the Federal Parliament passing any laws which would remove from the State Parliament the control of its own employés. If they did, such a course would prove to be unconstitutional, but in any case it would be difficult, if not impossible, to enforce. It would practically take from the States the control of their own finances, and would be opposed to the autonomy of the States.

That is a definite statement, and it is still my opinion. I have no right—and I do not wish to take upon myself the duty—to offer gratuitous advice. Advice of that kind is not generally very welcome. But I may, without any offence, and in the best of good humour, say to my friends, the members of the Labour Party, that in my opinion they are trying to put on a little too much steam.

Mr. PAGE.—We have been told that ever since the Labour Party came into existence.

Sir JOHN FORREST.—There is no harm in my saying it again to my honorable friends. There is a celebrated fable of Æsop, about the dog and the shadow. The dog, seeing the meat that it was carrying in its mouth reflected in the stream below, jumped in, and by reaching after the shadow, lost what it had. I think a very good motto in all matters of this kind, as it is in many other matters, is “hasten slowly.” It is always better to get almost all that you require, than by trying to get all you want at once, to lose the whole.

Mr. SPENCE.—We have been going rather slowly in regard to the transcontinental railway!

Sir JOHN FORREST.—We have been going too slowly in that matter. I trust that my honorable friend will assist in increasing the pace. It gave me very great pleasure last evening to listen to the remarks of my honorable friend the Minister for Trade and Customs, when he made a generous defence of the Chief Electoral Officer. I am always pleased to be in the position of being able to defend a public officer. I think that it is the right thing to do, if one can do it, because the whole stock-in-trade of a public servant is his good name and character. Members of Parliament who can say what they like about a public servant, can libel him up-hill, and kick him down, can say things to which he cannot reply in any way, should see that the power is carefully and wisely used. If advantage is taken of the privilege of Parliament to attack a public officer in general terms and not specifically, a very wrong thing is done. When a public officer does wrong, he should be called upon to meet a definite charge. He should not be attacked in generalities. I have had only a short experience of the Chief Electoral Officer. He was absolutely unknown to me personally until recently. But I can say this—that I have found him zealous in the discharge of his duties, and, as far as I am able to judge, upright in his desire to do justice. I have never seen him in the slightest degree leaning to the right hand or to the left. I have formed the opinion that he is a competent man, and he seems to have had experience of such duties as he is now discharging. I do not like to see such an officer attacked in general terms. If there is anything to be alleged against him, let it be plainly stated. Let it be put in black and white, and let us have the matter investigated.

Mr. DUGALD THOMSON.—Let us have an inquiry.

Sir JOHN FORREST.—Is it a reasonable thing to have an inquiry when no specific charges are made? The honorable member for North Sydney is, I know, a reasonable man, who is anxious to do what is right. Does he think that it would be a fair thing to have a general inquiry without any specific charge being made? A prisoner at the bar knows what is alleged against him. We do not charge a prisoner with general offences, and there is no power to bring up fresh charges against him in the course of his trial.

Mr. DUGALD THOMSON.—I was not speaking of the man, but of the work of the Department.

Sir JOHN FORREST.—It is unfair to demand that there should be a general inquiry, but I can understand an inquiry into the system.

Mr. FISHER.—Was not the Parnell Commission an inquiry into general charges?

Sir JOHN FORREST.—There were definite charges in that case, I believe. My own opinion is that we cannot be too careful in guarding public officers from attacks in general terms. If anything is wrong, there should be specific charges made, which should be thoroughly well inquired into. We should not appoint commissions of inquiry merely to find out something against a public officer. Now I come to another matter about which I wish to say a few words. I allude to the Navigation Bill. The measure has not yet been laid upon the table, but it is mentioned in the Governor-General's Speech. As that Bill will affect communication round the coasts of Australia, it is necessarily a measure of very far-reaching importance. I only wish to say this—that the fact that a thing is good in itself affords no reason for immediately embracing it; it is no reason for upsetting everything to bring it at once into existence. We sometimes remit duties by statute. But we generally give some notice before such an Act comes into force, in order that people shall not be injured by reason of their payment of heavy duties, and having insufficient opportunity to get rid of their stock.

Mr. JOHNSON.—I thought it was the foreigner who paid the duty?

Sir JOHN FORREST.—I am not going to argue that question with the honorable member. Take, for instance, the measure which some people think very beneficial—the Pacific Island Labourers Act. It might be argued that if it were a good

thing to prohibit the employment of *kanakas* upon the sugar plantations, absolute and immediate action should have been taken in that regard. But the Legislature, being reasonable, has said—"No; we think that it is a good thing, but we are not going like a bull at a gate; we are going to gradually stop the practice." The same remarks might apply to other measures, especially to the Navigation Bill. Although the Bill is not circulated yet, I might say that it appears to me that if we were to bring some of its provisions into immediate operation we should inflict injury. But if reasonable time is allowed to meet the altered conditions, the inconvenience or hardship to individual communities may be minimized. In connexion with all such measures, especially those which interfere with vested interests, some time should be allowed to enable those who might be injuriously affected to prepare for the change. Some reference has been made to the question of old-age pensions. I was one of those who supported the proposal at the Convention that old-age pensions should be included among the subjects for Federal legislation. The reason I then gave—I have not looked up the matter since—was, that I believed that the Federal Parliament would be able to deal with the matter better than would any local Legislature. I thought that it would be able to take a wider view of the operation of such a law, and, although there was a good deal of difference of opinion, I voted in favour of Federal control being exercised in that matter. Whilst the Braddon section continues it will be very difficult, without imposing special taxation, apart from the Customs, to bring an old-age pension law into operation. Some persons talk very glibly about imposing extra taxation; but I think that those who look into the matter and attach proper weight to the great distaste of the people to any new taxation will see that the subject is not such an easy one to deal with as might at first appear. No doubt the bookkeeping sections and the Braddon sections of the Constitution suit the State which I represent. We are very pleased that those sections are embodied in the Constitution, and I am very glad that I voted for them. I venture to say that even the Labour Party in Western Australia could not successfully urge the abolition of the bookkeeping sections, or even advocate that their operation should be brought to an end. The reason is this. When the five years' term expires there is little doubt that a

demand will be made for an extension of the period over which the bookkeeping clauses shall operate. Parliament has the right to extend the time if it thinks fit, because the Constitution provides that the sections shall operate for five years, or until such other time as Parliament may direct.

Mr. CARPENTER.—The bookkeeping sections do not affect the old-age pensions; the Braddon section is the obstacle.

Sir JOHN FORREST.—I am quite aware of that; but at present I am dealing with the bookkeeping sections. I may tell honorable members that last year if there had been no bookkeeping sections in the Constitution, and the revenues and expenditure of the States had been distributed *per capita*, Western Australia would have lost £600,000.

Mr. DUGALD THOMSON.—There would be no need to distribute the revenues *per capita*, even though there were no bookkeeping sections.

Sir JOHN FORREST.—No; but there might be an inclination in that direction.

Mr. DUGALD THOMSON.—Special provision could be made for special cases.

Sir JOHN FORREST.—I wish it to be very well understood by my friends from Western Australia and elsewhere that but for the bookkeeping sections it would have been possible to take £600,000 out of the pockets of the people of Western Australia last year, and to have distributed it among the other States. I do not think that any one would care to go upon the hustings and advocate a change that would involve any such distribution. I should not like to take the responsibility of doing so.

Mr. JOSEPH COOK.—In the meantime Western Australia is gathering in the money from the other States.

Sir JOHN FORREST.—Any advantage that Western Australia may receive is paid for by the people of that State. With regard to this matter, I stated at the last general election—

The distribution of the surplus Customs revenue among the States, after the expiration of the five years bookkeeping period, is a very important question, and especially so for Western Australia, and our endeavours should be to have the bookkeeping period further extended.

I certainly think the bookkeeping sections ought to be extended, at any rate, for the term fixed for the Braddon section, viz., for ten years.

An HONORABLE MEMBER.—Does the Minister favour an extension of the term of the Braddon section for ten years?

Sir JOHN FORREST.—I have not expressed any opinion upon that.

Mr. WEBSTER.—The Minister apparently desires to extend the Braddon section, and then to further extend the bookkeeping section for another ten years.

Sir JOHN FORREST.—The bookkeeping system is not unfair. It is provided that the revenue collected in each State, less one-fourth, which is made available for the purposes of the Federal Government, shall be returned to the State from which it is derived, and that all expenditure shall be charged against the State in which it is incurred. No doubt this places a restriction upon the application of the common purse principal, under which the whole of the revenues in the States would be at the disposal of the Federal Government; but it is not unfair.

Mr. JOSEPH COOK.—We are made to occupy the position of receivers for other people.

Sir JOHN FORREST.—Perhaps so; but I need not go into that matter now. The Braddon section will stand in the way of adopting an old-age pension scheme for a period of ten years. I think that I have dealt with those matters referred to in the Governor-General's Speech, to which I particularly wished to refer.

Mr. JOSEPH COOK.—And, strange to say, the Minister has adversely criticised most of the proposals.

Sir JOHN FORREST.—I do not think so.

Mr. JOSEPH COOK.—The Minister does not believe in old-age pensions, or the Arbitration Bill—

Sir JOHN FORREST.—The honorable member is romancing. I now have to discharge a disagreeable duty. I feel compelled, very much against my wishes, to refer to some remarks made by my friend, the right honorable and learned member for Adelaide, on Friday last. His observations were, I think, ungenerous and unfair. His very long speech, to which we all listened attentively, and to a great deal of which we were glad to listen, was spoiled by the attack he made upon the Governments of Western Australia—both past Governments and the present Government. I am particularly interested in his remarks with regard to the Government with which I was for ten years connected, but I am willing to also take up the cudgels in defence of those who succeeded me. The right honorable gentleman seemed to me so unreasonably hostile,

that it might have been even assumed that some personal injury had been done to him by myself, or by the representatives of Western Australia, or by the people of that State. I may say that I have no knowledge of anything of the kind.

Mr. KINGSTON.—No, nor anybody else.

Sir JOHN FORREST.—I assure the right honorable and learned member that, when he hears me repeat what he said, he will be really astonished that he should have made any such statements. It cannot be said that his speech was not full of goodwill towards the people of Australia, because he seemed to be very much concerned for their welfare. He spoke of his admiration and love for his fellow-Australians almost with emotion. Indeed, he presented quite a lugubrious spectacle. I could not help thinking he must have been reading the Lamentations of Jeremiah—so much emotion did he display towards the people of "his own dear State." But I regret to say that the same generous spirit did not animate him when he spoke of the people of Western Australia. He first attacked that State because the Constitution confers upon its Parliament the power to tax Inter-State goods for a period of five years, and then he went so far as to declare that I and those who represented Western Australia at the Federal Convention had intentionally misled the delegates at that gathering.

Mr. KINGSTON.—Is the Minister quoting from the report of my speech?

Sir JOHN FORREST.—I do not know what the report of the right honorable member's speech says, but I heard him affirm that the Convention had been absolutely misled.

Mr. KINGSTON.—Certainly.

Sir JOHN FORREST.—By misrepresentation.

Mr. KINGSTON.—Yes; Western Australia received consideration which properly belonged to Queensland and Tasmania.

Sir JOHN FORREST.—If I had the time at my disposal I could quote the opinions of a dozen, or, perhaps, twenty, of the most prominent men in the Commonwealth, who, at the Convention, urged that the special circumstances of Western Australia required special treatment.

Mr. KINGSTON.—That was opposed to the actual facts.

Sir JOHN FORREST.—I have in my possession, and can produce, if necessary, a letter from the Government Statist in New South Wales assuring me that whilst

the Constitution provided for the needs of Western Australia for to-day and to-morrow, it would afterwards mean ruin to her. For the right honorable member for Adelaide to urge that we wilfully misrepresented the state of affairs which existed is altogether too silly.

Mr. KINGSTON.—Was not Western Australia a gainer by the substitution of the Federal Tariff for its own Tariff?

Sir JOHN FORREST.—But we did not know what the effect would be at the time. No one could possibly foresee that. For the honorable member to accuse us of having played a game and done something discreditable by means of misrepresentation is positively too silly. As a matter of fact, those who were associated with me as delegates from Western Australia were not very eager to enter the Federation under the Constitution, as it did not appear to suit us.

Mr. KINGSTON.—The delegates from Western Australia represented that that State would be a special loser as the result of union, when as a matter of fact other States were the losers.

Sir JOHN FORREST.—How could I possibly look into the future? I had to judge by the past and by the then present. No one can tell what the future will bring forth. I indignantly deny that we indulged in any misrepresentation whatever. If I were in order in doing so, I should say that the right honorable gentleman's statement is grossly untrue.

Mr. KINGSTON.—All I can say is that the Minister's remarks were untrue, and the figures show it.

Mr. SPEAKER.—I must ask the right honorable member for Adelaide to withdraw that statement.

Mr. KINGSTON.—Certainly.

Sir JOHN FORREST.—I am at a loss to understand why such a statement should have been made. Surely if the result of union has been to benefit one particular State more than was anticipated, that is a matter for general congratulation. The fact that one State is prosperous whilst another is not, ought not to be a cause for regret, but rather one for rejoicing. We must recognise that no State can prosper without conferring a benefit upon the other States. Is it not a cause for congratulation that Western Australia annually purchases nearly £3,000,000 worth of goods from the eastern States? Is it not a good thing for Australia that every year nearly

50,000 people travel to and from that State because of its prosperity? The statement of the right honorable member is really too silly. Were it not for the fact that he occupies a high place in the political life of this continent, that he is a leader of public opinion, and a man who for years filled the office of Premier of South Australia, I should not take the trouble to refute it.

Mr. KINGSTON.—Let the Minister disprove my statements if he can.

Sir JOHN FORREST.—I again desire to emphasize the fact that the sliding scale under which Western Australia joined the Federation merely means that its people have to pay the extra duty themselves. Of course some of my honorable friends opposite may urge that it is the people of the eastern States who pay it, but I cannot agree with that view. Western Australia receives that which its people have previously contributed through the Customs-house. Can it be—I hope it is not—that the right honorable member's statement was prompted by the fact that Western Australia has progressed more rapidly than "his own dear State." Is he jealous—

Mr. BATCHELOR.—Why talk such rubbish?

Sir JOHN FORREST.—I will tell the honorable member why South Australia has not progressed so rapidly as has Western Australia.

Mr. KINGSTON.—Will the Minister tell it truly, if he can?

Sir JOHN FORREST.—It has not progressed like Western Australia because it has had too much of the "Kingstonia" drug during past years—

Mr. KINGSTON.—Bosh!

Sir JOHN FORREST.—It has not yet recovered from the effect of that drug, and a good many years will elapse before it does.

Mr. KINGSTON.—Why, the Forrest curse is worse.

Sir JOHN FORREST.—The right honorable member was not content to misrepresent my action at the Federal Convention. He seems to have seized upon some remarks which he says were made in this Chamber upon a former occasion, when I was not present. I have never seen those remarks, but, upon two occasions now, with an interval of about six months between them, I have heard the right honorable and learned member refer to and confirm those statements. He says that they were made here—I do not know by whom.

Mr. KINGSTON.—Does the Minister say seriously that he does not know by whom they were made?

Sir JOHN FORREST.—I am not going to—

Mr. KINGSTON.—Do not say what is not a fact.

Sir JOHN FORREST.—The right honorable member must listen to me.

Mr. KINGSTON.—Then, whilst speaking, do not make statements not in accordance with fact.

Sir JOHN FORREST.—I have never seen the statements in question.

Mr. KINGSTON.—Is it true that the Minister does not know by whom they were made?

Sir JOHN FORREST.—I have heard it from the right honorable member.

Mr. FOWLER.—I rise to a point of order. I desire to know if the right honorable member for Adelaide is in order in interrogating the Minister, who is in possession of the floor of the House?

Mr. SPEAKER.—The right honorable member for Adelaide is not in order in constantly interjecting, nor is the Minister in order in directly addressing the right honorable member instead of the Chair, and so provoking further interjections from him. I hope that both right honorable members will respect the Standing Orders.

Sir JOHN FORREST.—The right honorable member for Adelaide has based his attack upon the Government and people of Western Australia on statements which he declares were made in this House, and which he makes his own. I was away in England at the time when it is said these statements were made, and I have never read them. I know of them only because of the reference which the right honorable member has made to them on two occasions, and as they contain serious imputations against the Government and people of Western Australia I would ask him whether he has made any attempt to verify them. No one is justified in accepting a libellous statement as a fact, and to refer to it and confirm it, unless he takes some trouble to determine whether it is true. Has the right honorable and learned member made any effort to ascertain the accuracy or otherwise of the statements to which I refer? If it were a trifling matter, it would be unworthy of the notice of the House; but it is because of its seriousness that I am led to address myself to it. What are these charges which have twice been hurled against my past Administration, as well as

the present Government of Western Australia? They are, in effect, that because the Government and Parliament of Western Australia have not built a railway from Coolgardie or Kalgoorlie to Esperance Bay—an undertaking which, inclusive of harbor accommodation, would involve an outlay of about £1,000,000—an iniquitous state of affairs exists. It is asserted that the policy of the past and present Government of the State is worthy of the Emperor Caligula; that in consequence of it old men and young children are dying on the gold-fields, and that the failure to construct the line in question has been due solely to a desire to benefit the land-holders of Perth. The further statement is made that children are to be sacrificed, and that hard-working men have not only been inconvenienced, but exposed to risks, difficulties, and even danger to life, in order that the land-holders of Perth may make a profit on their investments. These are the statements, said to have been made in this House, which the right honorable member for Adelaide has taken upon himself to reiterate and confirm, and which he repeated for the second time on Friday last. Could a more monstrous charge be levelled against the Government, Parliament, and people of any State? If it were made by some one having no place in the public life of Australia, it might well be left alone; but inasmuch as these statements have been accepted and reiterated by the right honorable member for Adelaide, I call upon him either to substantiate or to withdraw them. I wholly deny and repudiate them. I challenge and defy the right honorable member, or any one else, to prove one tittle in support of them. When I indignantly contradicted them the other day, the right honorable member for Adelaide rejoined—"What avails the contradiction? The fact remains, and there is no getting away from it." To this remark, one or two honorable members of the Opposition said, "Hear, hear"; but I feel satisfied that they could not have understood the true import of these assertions. Such statements could not proceed from any save the most ungenerous and prejudiced mind. If this sort of irresponsible slander—

Mr. KINGSTON.—It is "irresponsible slander" spoken by the members for the district in question in this House. The right honorable gentleman heard those statements made, but never dared to contradict them.

Sir JOHN FORREST.—When I contradicted them, the right honorable member asked—"What avails the contradiction?" The fact remains, and there is no getting away from it.

Mr. KINGSTON.—No attempt was made to contradict them.

Mr. JOSEPH COOK.—This personal difference of opinion should be settled outside; we do not want to hear of it in this House.

Sir JOHN FORREST.—I again ask the House whether these are the kind of irresponsible charges that should be made against the people of a State by a would-be leader? Is this the kind of talk that will bind the people of the States together in mutual respect and confidence?

Mr. JOSEPH COOK.—Are the remarks made by the Minister himself likely to do so?

Sir JOHN FORREST.—I am acting only on the defensive. And what are the facts? I shall place them before honorable members. It is all very well for the honorable member for Parramatta to ask—"Why refer to these matters?" We listened for hours to assertions of the kind on the part of the right honorable member for Adelaide, and if the honorable member for Parramatta had endeavoured to induce him to refrain from making them, there would have been no occasion for me to refute them.

Mr. KINGSTON.—Why does not the right honorable gentleman refute then, if he can?

Sir JOHN FORREST.—The whole gravamen of the charge is that the Government and people of Western Australia have failed to build two railways from the coast to Coolgardie and Kalgoorlie. The reason for that failure was, in the case of my own Government—and no doubt the same remark will apply to the present Government of Western Australia—that there was already a splendid railway running from Fremantle to Kalgoorlie, and indeed 200 miles further inland. That service has existed for several years; while the State Government have also expended £1,250,000 in making the Fremantle Harbor fit to accommodate the largest steamers. No other inland town in Australia possesses better railway facilities than those enjoyed by Kalgoorlie. It has not only railway communication with the coast, but also a suburban railway service. Electric trams traverse its streets, and altogether the town is a

most flourishing one. It is the great railway centre of the eastern gold-fields. The main line extends for about 200 miles beyond Kalgoorlie to the northward, as I have already mentioned. Then, again, the State has expended £2,750,000 in giving it a permanent water supply, which is at present even more than sufficient to meet its wants. That was a very great undertaking, and I think it will be admitted that it is a most beneficent one. We have in Kalgoorlie a satisfied and a prosperous people. I ask honorable members to glance at the honorable member for Kalgoorlie, and to say whether he looks like a man representing an electorate in which the people are being treated inhumanely by a cruel and tyrannical Government?

Mr. FRAZER.—I do not admit that we are satisfied.

Sir JOHN FORREST.—The people of Kalgoorlie are satisfied, so far as any people in a remote part of the country could be expected to be satisfied. The right honorable member for Adelaide appears to be under the impression that if any district is not connected with the coast by a railway line running in a straight course, a more direct railway should be constructed. From Deniliquin to Sydney the direct distance is 390 miles, whereas by rail the distance is 632 miles, or 242 miles more. If a railway were constructed from Deniliquin to Finley, a distance of only 40 miles, Deniliquin would be only 488 miles from Sydney. From Kalgoorlie to Fremantle the distance by rail is 387 miles, while the distance to Esperance Bay is about 247 miles, or about 140 miles less. From Sydney to Brisbane the direct distance is 450 miles, but the distance by rail is 723 miles, or 273 miles more. From Melbourne to Sydney the direct distance is 450 miles, and the distance by rail 576 miles. From Adelaide to Broken Hill the direct distance is 270 miles, and the distance by rail 334 miles. From Albury to Sydney the direct distance is 286 miles, and the distance by rail 386 miles. From Sydney to Cobar the direct distance is 354 miles, and the distance by rail 459 miles. From Mount Gambier the distance to Adelaide is about 300 miles, whereas, if a railway were built to Portland, the distance would be only 65 miles. From Perth to Albany the direct distance is 240 miles, whereas the distance by rail is 340 miles.

Mr. BATCHELOR.—But Mount Gambier has connexion with the coast.

Sir JOHN FORREST.—Not with a good port. I think that the argument of the right honorable member for Adelaide is an absurd one. He contends that because Esperance Bay is only 247 miles from Kalgoorlie, the Government of Western Australia should make a railway to that port, although the gold-fields have already a good railway connecting them with a magnificent harbor at Fremantle. Surely, however, the matter is one for the State Government to deal with, and they can be trusted to manage their own business. Why should the people of Perth and Fremantle be represented by any one without the remotest foundation of truth or justice, as inhuman persons who have tried to make money for themselves at the expense of, and by neglecting the interests of, their fellow-Australians living on the gold-fields.

Mr. FOWLER.—The people of Western Australia have followed a policy common to all the States.

Sir JOHN FORREST.—The right honorable and learned member for Adelaide has spoken of the people of Fremantle as though they were blood-suckers, who have tried to squeeze money out of the people on the gold-fields without providing them with conveniences in return. I would remind the right honorable member, however, that the early inhabitants of Western Australia mortgaged all that they had to borrow money to construct the railway to the gold-fields and to provide the people there with a water supply. Furthermore, persons from his "own dear State" of South Australia are as plentiful as blackberries in Fremantle and in Perth. For every old inhabitant in Western Australia there are at least three newcomers. Does the right honorable member refer to them as inhuman and cruel? Then, again, if the people of Kalgoorlie desire a change for the sake of health and recreation, do they prefer to go to Esperance Bay when they have Perth, Fremantle, Bunbury, Busselton, Albany, and the older towns of the State to visit? What would be said of the contention that the people of Broken Hill would rather go to Port Pirie for recreation than to the fair city of Adelaide, or to the other beautiful towns of South Australia? Both contentions are absurd. But we have had enough of these local matters in this House.

Mr. JOSEPH COOK.—Too much.

Sir JOHN FORREST.—We have had two long speeches from the right honorable and learned member for Adelaide, both of them in the same style, and both dealing with a matter of purely local concern. Surely these matters should be left to those who are responsible for them, the people of Western Australia! I cannot expect that honorable members should enter into my feelings in regard to the ungenerous statements that have been reiterated, because they have not realized their gravity; but I can assure them that the charges which have been levelled against me, and the Administration of which I was the head, have cut me to the very quick. I know what the people of Western Australia have done—I do not distinguish one class from another—to try to make that State prosperous. We were originally a very small community, and we mortgaged practically everything we had to float large loans for the construction of railways to the gold-fields, to give the people there a water supply, to make roads, to erect telegraphs, to establish hospitals, and to provide for public batteries for the convenience of poor miners. When I think of all that was done, and know that it never for a moment entered the mind of any person in Fremantle or Perth to be unjust or cruel to, or to do other than to try to help, the population of the gold-fields, I cannot but regret that the right honorable member for Adelaide has lent himself to the reiteration of statements which, no matter by whom made, are absolutely untrue. Surely I have just cause for complaint, that one with his great reputation should lend his aid to disseminating throughout the length and breadth of this country, such scandalous innuendoes and gross misrepresentations. I have had an unpleasant duty; but I have been compelled to perform it in the interests of myself and of those with whom I have been associated in the Government and Parliament of Western Australia. I thank honorable members for their kindness in so attentively listening to my remarks.

Mr. PAGE (Maranoa).—After hearing the able discourse of the Minister for Home Affairs, I cannot but think that this is not the right place in which to wash dirty linen.

Mr. FRAZER.—Why did not the honorable member say that after the speech of the right honorable member for Adelaide?

Mr. PAGE.—I did not hear that speech. In any case, this is no place for personal quarrels. The only two persons interested in the matters dealt with by the Minister

just now are himself and the right honorable member for Adelaide.

Mr. FRAZER.—The right honorable member for Adelaide should not have started the discussion.

Mr. PAGE.—I wish to say a few words in reference to the remarks of the Minister for Trade and Customs last night. He stated that he had proved himself to be not an extravagant Minister, though he had been attacked by the press for extravagance; and he told us that false economy is often extravagant. I have been afraid of extravagant administration ever since I have been in Federal politics. Whenever the creation of a new Department is spoken of, I get into a blue funk. It is not the first cost of a Department that I fear so much as the expenditure which I know will follow. Every *Commonwealth Gazette* announces new appointments to this office and to that. The last announcements of the kind I saw referred to several appointments to the Patent Office, to several others to the office of the Crown Solicitor, and so on. The States are not saving one penny by reason of the Commonwealth administration. This Government keep on increasing expenditure in every direction. We were told by Sir Edmund Barton, when he was advocating the adoption of the Enabling Bill, that if Federation were accomplished there would be so much saved to the States.

Sir WILLIAM LYNE.—The States should reduce their expenditure.

Mr. PAGE.—And let the honorable member spend as much as he likes! That is what he would wish.

Sir WILLIAM LYNE.—Certainly not. The new appointees to the Patent Department will, I think, all be transferred from the service of the States.

Mr. PAGE.—I am very glad to hear it. Hitherto the public servants of the States have been elbowed out of their positions by others, though men who have been in the Public Service ever since they were boys must know more of the work of the Departments in which they have been employed than new men can know. We have now an Inspector-General of Works, and I saw it stated in the press a few days ago that, as there are no offices for him, the Commonwealth will have to provide some. The Government wish the Victorian Government to add another story to the Commonwealth offices in Spring-street; but the Victorian Government do not see their way to do so. I do

not blame them, because we are in Melbourne only on sufferance, and the sooner we get away the better. The Minister for Trade and Customs told us that the Opposition were largely to blame for the delay that has taken place in connexion with the settlement of the Capital site question. I ask him to make a definite charge against the Opposition in regard to that matter. The question would have been settled long ago if the Cabinet had been agreed upon it. Of course, the honorable member is only playing the political game for all that it is worth when he makes a statement of that kind. I should be glad to vote to-morrow to have a site chosen in New South Wales in the manner provided by the Constitution. The Minister also accuses the Opposition of having delayed business by speaking for a period of eight months; but by our action in connexion with the Tariff we have saved the producers and consumers of the country over £1,000,000 of taxation. It is all very well for the Minister to say that the Government went to the polls to secure fiscal peace and preferential trade; but that was not the whole of the issue. I do not wish for fiscal peace. I wish to take off as many burdens as possible from the shoulders of our consumers and primary producers. I will give the honorable member an instance of how he is taxing the exports as well as the imports of the Commonwealth. He knows that the Opposition secured reductions in the Tariff only at the point of the bayonet; the Government did not concede anything unless they knew that the numbers were against them. I desire to bring before honorable members the circumstances under which certain exports from Queensland have been taxed. The Government were not satisfied with taxing the whole of the machinery used in the industries of that State, and the eatables and drinkables required by the people, but they imposed a duty upon the meat wrappers used in packing meat for export. These wrappers are not required for home consumption, but are used entirely for export purposes, and yet the beneficent Government, which is always talking about protecting national and natural industries, imposed a burden upon one of the most important enterprises in Queensland. On the 3rd February I received the following letter:—

We, the Queensland Meat Export and Agency Co. Limited, take the liberty of enclosing your information, copy of an extract from a letter which we have received from Messrs. B. Kershaw and Co. Ltd., 68 Aldersgate-street,

London, E.C., dated 18th December last, with reference to the Australian import duty on meat wrappers. The remarks are self-explanatory, and we need only add that the removal of the duty would have our hearty approval.

Extract from letter from Messrs. B. Kershaw and Co. Ltd., dated London, 18th December, 1903 :—

The Argentine Government charge no import duty on frozen meat wrappers. Consequently we send our clients in that country stockinette made into mutton, hinds of mutton, legs of mutton, lamb, beef (for liners under hessian) bags, and hessian made into beef; and mutton (for Cape trade) bags. All these bags are branded here, and complete in every way for placing on the meat. Considering the keen competition in the frozen meat trade, we are strongly of the opinion that it is high time the import duty charged in your Colony on meat wrappers should be abolished, so as to place you on an equal footing in this respect with your Argentine rivals. There is no calico used in the Argentine trade; but for the colonial trade we supply large quantities, chiefly in the piece owing to import duty.

That describes the position of the meat export trade, which is one of the primary industries, I might even say the backbone, of the Commonwealth. Instead of encouraging such industries, the Government are doing all they possibly can to stifle them. Upon the subject of Customs administration, I have a letter written by a friend at Rockhampton, who says—

I most sincerely hope that before long the powerful voices of your party will be heard with reference to the still lamentable state of affairs with regard to Customs work. Not only is no assistance whatever given by the officers of this Department, but every effort seems to be made to induce the unfortunate importer to make mistakes, and then down him. The great tariff book is now of very little use; so many alterations having been and still are being made in it that unless some assistance is given to the public by the Customs clerks, it is as much as a man's life is worth to attempt to pass an entry. As one of the oldest Custom House agents here a good portion of my income was derived from passing entries; but it has become so irritating and vexatious and so much time is lost that I have practically had to refuse to do any Customs work, unless where our business compels. I could fill pages of foolscap showing how the unfortunate importer suffers from the hateful system. The Department has almost despotic power, and where it is found that any fraud is intended, the delinquent should be punished with the utmost rigour of the law; but at present all the punishment is directed at the innocent. The idea seems to be, when an entry is presented, not of receiving the duty, but "Can we have him in any way?" To put it plainly, it is just as bad as if you went to the railway station at Longreach, and asked the fare to Emerald, and the clerk were to say, "Find out from the time-table," and if you dare to present one halfpenny less than the exact fare, you are likely to get seven years' hard labour. Why the Customs more than any other Department should have the power to act as they do is a puzzle. They won't even give change—the exact amount must

be tendered; and it often happens that for want of a few pence change a day is lost, and the unlucky individual put to serious trouble and expense. Kindly note that I am not referring to the Rockhampton Customs; the game goes on at every port the same, and it is about time that something was done to put an end to it. Surely every man should have the right to present his papers at the Customs, inquire what duty he has to pay, and pass his own entry without being put to the expense of employing any agent. Even in the case of the Inter-State certificates the trouble is almost as great as and sometimes greater than in the old days before Federation. I shall be very pleased indeed to give you any information on the subject you may wish, and if you are the means of making an alteration you will have the blessings of thousands of miserable people, whose lives now are made wretched by this exasperating system.

I know that every word contained in the letter is true, and that the writer, who is a Customs agent, has had to give up his business; he is afraid to go to the Customs-house lest an endeavour be made to involve him in law proceedings. It was very amusing to hear the Minister for Trade and Customs complaining about the treatment he had received at the hands of the Opposition. Does not the Minister play the game of party politics for all it is worth? He shed crocodile tears over the way in which the Opposition had attacked him, when he knew quite well that every one of their guns were spiked. That is why he came down upon them like a cart-load of bricks. There is a nice little bit of padding in the Governor-General's Speech upon the subject of old-age pensions. Paragraph 4 reads as follows :—

The re-adjustment of Federal and State finances contemplated in such an arrangement will, it is hoped, present an opportunity for the adoption of a uniform system of old-age pensions throughout the Commonwealth.

No one knows better than the Minister for Trade and Customs that that is nothing more than padding. The leader of the Opposition denounced the Government for having included that paragraph in the speech, but he did not speak half strongly enough to please me. I shall refer honorable members to what was said by the Minister, two years ago, when we were discussing the question of old-age pensions, on the motion of the honorable member for Darwin.

Sir WILLIAM LYNE.—I hope the honorable member will quote the portion of my speech which I have underlined for him.

Mr. PAGE.—I shall quote what suits me. The question of old-age pensions was referred to in the Governor-General's Speech, at the opening of the first Parliament, and the Prime Minister at every place

at which he appeared spoke of the advantages of a universal system of old-age pensions. When, however, the Government were put to the practical test, this was the feeling expressed by the Minister for Trade and Customs. Speaking on 2nd August, 1901, he said—

The honorable member for Tasmania said that we should be generous to that State, and that if Tasmania had not enough money to pay old-age pensions we ought to provide it for her. In view of all these statements, I think it would be wise to wait and see how our finances pan out before making any declaration as to what we should do in regard to any particular State. That is one of the reasons which almost preclude the Government from doing anything at the present time.

The Minister told us that we could not do anything in 1901, and I should like to know in what respect the financial position of the Commonwealth has changed, to render it possible for us to do anything now. Yet the Minister told us last night that the Government intended to do something.

Sir WILLIAM LYNE.—I did not say anything that was inconsistent with my utterance on the former occasion.

Mr. KINGSTON.—Where is the Ministerial nest-egg?

Mr. PAGE.—That is a question that may be very appropriately asked. The Minister went on to say, upon the occasion previously referred to—

As far as I can judge, taking as a basis the expenditure which has been incurred up to the present, it would require between £1,000,000 and £1,100,000 per year to pay the whole of the pensioners throughout the various States, excluding New Zealand. That is a very large sum to be called upon to pay out of the Commonwealth funds, shackled as they are by the clause to which reference has been made.

The clause referred to is the Braddon section, which is still in existence, and yet the Government think that the padding which they have introduced into the Governor-General's Speech will catch the eye of the Labour Party. So far as I am concerned, nothing will catch my eye upon this subject until a Bill is introduced. Let the Government show their sincerity by bringing down a Bill. The Minister knows full well that if the Government took over the tobacco industry and made it a national monopoly, they would be able to find all the money necessary to provide for a scheme of old-age pensions. In fact, there are a hundred and one ways of accomplishing the purpose. Paragraph 6 of the Governor-General's Speech reads as follows:—

With a view to giving assistance wherever possible to those engaged in the cultivation of the

soil, and as a preliminary to the establishment of an Agricultural Bureau, you will be invited to consider the best means of assisting the farmer, by bounties and otherwise, to grow new crops and find new markets. Speedier and cheaper transportation to the large centres of population of meat, butter, and fruit, under improved conditions, is much to be desired.

Now, what did the Government do when the pastoralists of western New South Wales and of Queensland were in difficulties through the drought? They did not offer them the slightest assistance, and now the Minister of Trade and Customs has the barefaced cheek to shield himself behind the action of the States Governments in regard to the reduction of railway freights. What has that to do with the Commonwealth? If the States Governments like to carry passengers or produce for nothing, that is not our concern? The drought was a national calamity, through which we all suffered, and the least the Government could have done when the people were on the verge of starvation was to come to their rescue. The Ministers were protectionists, but they were intent upon protecting themselves, rather than the national industries of the Commonwealth. I suppose that the paragraph, to which I have just referred, is intended to afford comfort to the pastoralists, but they do not want any aid from the Government. God has been good to them in giving them plenty of grass and water for their stock, and they want no assistance from the Government. All they desire is that they may be left alone, but the Government will not do that. Reference is made in the speech to the carriage of mails and perishable produce from Australia. I cannot believe that the Government were serious when they called for tenders for the mail service. If they were, why should they differentiate between Queensland and other States? They have yet to explain away their action in inviting the mail companies to say how much more they would want if they were required to make Brisbane a port of call. That was tantamount to encouraging them to name such a figure that the Government would have good reason for declining to accede to the wishes of the people of Queensland. If there is to be a Commonwealth mail service, every State should have a share in the benefits, and Queensland should receive the same treatment as other States. The Government further state that they intend to profit by the experience which was gained in the recent elections by amending our Electoral Act. But

I wish to ask the Minister for Home Affairs how he intends to treat the electoral officers who were responsible for the numbering of ballot-papers, thereby rendering them informal? I know of one instance in which eighty ballot-papers were thus invalidated. Surely some action should be taken; otherwise in the future any unscrupulous person will be able to turn the balance of an election. Let us assume, for example, that at the approaching Melbourne election numbers are placed by the electoral officials in the corners of the ballot-papers, and the latter are thereby rendered informal. The result may be to disturb the whole of the arrangements, and possibly to cause the return of the wrong candidate. I come now to the action of the Government during the late elections. In this connexion I desire to give one instance which goes to show how much brain is centred upon the Treasury benches. They despatched a Drake to Queensland and he obtained a "duck." In Capricornia a labour candidate who is a strong protectionist, and a straight-out free-trader, were rival candidates for the seat. Instead of leaving the contest to them, the Government put forward a protectionist candidate, who received 2,000 votes. The labour candidate was returned, and the free-trader was second upon the poll. Yet the Government after having done all in their power to prevent his election have the temerity to ask that labour representative for his vote. Then the Attorney-General visited Brisbane to advance the candidature of Mr. Macdonald-Paterson. As a result that gentleman's chances were promptly squelched. The same thing happened in the case of Mr. Glassey. Indeed, wherever the Attorney-General spoke on behalf of candidates, he effectively settled their chances of election.

Mr. RONALD.—Nonsense!

Mr. PAGE.—I am stating what are undeniable facts. These instances show the character of the electioneering tactics which were adopted by the Government. Had they served me as they did the honorable member for Capricornia, I should leave them some time in the field when they ought to be in the lane. I pass now to the statement in the Governor-General's Speech, that the Ministry have no desire to re-open the fiscal question. Nevertheless they propose to submit a Bill which is designed to encourage the iron industry by means of bounties. Does not the Minister for Trade and Customs think that

such a measure will re-open the fiscal question? Personally I am quite prepared to remain here a week for the purpose of preventing any bounties from being granted in that direction. A more barefaced robbery of the people was never attempted. When Ministers submit a proposal of that sort, they will find that the free-trade members of the House are just as strong in their fiscal faith as they ever were. The Minister for Trade and Customs referred to the question of preferential trade. How do the Government suggest that a preference should be given to British goods? They propose to retain the existing duties, and to raise those which are operative against the foreigner. In other words, they will take all they can get from the mother country, and give nothing in return. In speaking upon the Address in Reply, the honorable member for Melbourne Ports made a very amusing reference to this question. He assured us that the agricultural industry in the old country had declined. "Why," he exclaimed, "we cannot do more than make a man insolvent." Yet the Government are prepared to offer no real preference to the mother country. But our party, I am pleased to say—

Mr. FISHER.—Our party?

Mr. PAGE.—Yes; I am a free-trader, and am proud to acknowledge it.

Mr. JOSEPH COOK.—The honorable member for Wide Bay used to hold the same views.

Mr. PAGE.—Yes; but they did not suit Maryborough, Gympie, and Bundaberg. We cannot blame the honorable member for having changed his views, because he has to represent three different industries.

Mr. FISHER.—Anything which suits the Labour Party suits me.

Mr. PAGE.—Upon the fiscal question members of the party are as free as are any honorable members of this House.

Mr. FISHER.—Freer.

Mr. PAGE.—Yes, because there are many who will give us a vote from motives of sympathy.

Mr. FRAZER.—Our party believes in business—not in sympathy.

Mr. PAGE.—But if we deprived humanity of sympathy, what would be left? Nothing but bare bones. I desire to justify the action of the Labour Party in connexion with the naval and military estimates. The honorable member for Wentworth has accused us of running the show. We have done nothing of the sort—we have merely assisted others to run it. The members

of the Labour Party wish to obtain nothing but the best talent so far as our Defence Forces are concerned ; but we do not want drawing-room soldiers. When the Estimates were under consideration we were perfectly prepared to vote the Government any money which they might require for defence purposes, but we objected to spending it upon frills, gold lace, and spurs. When Federation was consummated the general idea was that we were to have a citizen soldiery which would cost infinitely less than the military establishments which existed in the different States. What has been our experience? The old staffs have been retained, and in some instances added to. Why, whenever Major-General Hutton is about to visit any portion of the Commonwealth one would imagine that a host of Indian princes were on their way to a durbar such as was recently witnessed at Delhi. I desire to bring under the notice of the honorable member for Wentworth one instance of extravagance in military expenditure. I refer to the occasion on which Major-General Hutton and his staff visited Bathurst by a special train, and remained there for only twenty minutes. That twenty minutes' inspection cost the Commonwealth thousands of pounds.

Mr. KELLY. — The honorable member has said that the military estimates should be again reduced by one-half.

Mr. PAGE.—I do not think I said that.

Mr. KELLY. — I think that the honorable member will find an interjection to that effect credited to him in *Hansard*.

Mr. PAGE.—It is possible that I may have said so. I hold strong opinions upon this matter, because I understand how to play the game of militarism. If the honorable member will peruse the official report of the debates which occurred when the military estimates were under consideration during the first session of the previous Parliament, he will scarcely accuse the Labour Party of having done anything wrong. So far as the armament of our forts is concerned, we are quite prepared to vote any money that may be necessary to equip them thoroughly. Hitherto that money has been expended upon useless flummery

Mr. KELLY. — To escape from that position would it not be necessary to get a new military adviser?

Mr. PAGE.—I have said times out of number that it would pay the Commonwealth to at once give Major-General

Hutton the whole of the salary which will accrue to him during his engagement, and to obtain the services of a thoroughly practical man who is in sympathy with our system.

Mr. KELLY.—Is it not better to do that than to reduce the military vote?

Mr. PAGE.—Yes. I may have interjected whilst the honorable member was speaking that if it were intended to conduct our Defence Force upon the same lines as those upon which it has hitherto been run, it would be better to starve it out of existence. Personally, I am of the opinion that it would have paid the Commonwealth, upon the inauguration of the Federation, to dismiss the whole of the members of that force and to have made an entirely fresh start. The honorable member for Wentworth must not run away with the idea that the Labour Party are opposed to all military systems. In time of national emergency the very men who would carry our rifles would be recruited from the ranks of the labouring classes. Who were those that volunteered for service in South Africa? They were chiefly members of the labouring classes.

Mr. FISHER.—They would not have done so if they had possessed the knowledge which they have gained since.

Mr. PAGE.—At that time it was impossible for any one to foresee what would happen. It is easy enough to guess that there are chickens in eggs when one can see them through the shell. I still hope that better counsels will prevail, and that the yellow agony will not be introduced into South Africa to displace white labour. I have no intention of detaining the House at greater length. Having listened to the remarks of the Minister for Trade and Customs, I am of opinion that he might have been more generous towards the free-trade party, in view of the very able speech which was delivered at the close of the Tariff debates by the right honorable member for Adelaide. On that occasion the right honorable member said, in effect—"The Tariff is done with ; we have had a hard task to perform, and both the Government and the Opposition have sought, according to their lights, to do what is right. Now that the trouble is all over, let us shake hands and be friends." It seems to me, however, that the Minister for Trade and Customs will never be friendly towards the free-trade party. When one speaks of free-trade to him, the effect is very like that which follows the

waving of a red flag in the face of a bull. The honorable gentleman roars and bounds about like a bull in a china shop. He certainly possesses some good characteristics, and I feel satisfied that he does not always mean all that he says. I suppose that there is no honorable member in this House who has a more generous disposition, and if he would only be a little more generous in his criticism of members of the free-trade party the whole House would be better pleased with him.

Sir WILLIAM LYNE.—Does not the honorable member think that free-traders are very severe in their criticism of my actions?

Mr. PAGE.—The Minister plays the game for all he knows, and he must not think that we are going to stand idly by and take our gruel quietly. Politics is a game, and I suppose that the best side must win. The remarks made by the Minister for Trade and Customs on 2nd August, 1901, in reference to the question of a Commonwealth system of old-age pensions are already on record, and *Hansard* has also recorded the remarks made by him last night in regard to the question. I trust that the next occasion upon which he is called to deal with the subject will be when he introduces a Bill to give effect to the system.

Mr. WILKINSON (Moreton).—It is not my intention to detain the House at any great length; but I am not one of those who believe that time is wasted in discussing the Address in Reply. It is the one opportunity afforded honorable members to ventilate their grievances generally, and to bring under the notice of the Ministry and Parliament matters which otherwise could be brought forward only by special motion. We had, for example, to move the adjournment of the House on one occasion last session in order to draw attention to a subject which has been discussed once more during the present debate, and which materially affects Queensland. I refer to the question of the oversea mail contracts. Honorable members will recollect that on the occasion to which I refer, nearly the whole of one sitting was occupied in discussing this matter. But when it is possible to deal with that and other matters in one speech—as is the case in a speech on an Address in Reply—we save rather than waste time in availing ourselves of the opportunity. I should like to indorse all that has fallen from the lips of other representatives of Queensland upon the question of the oversea mail contracts.

We contend that, in this respect, Queensland should be placed on a footing of equality with the other States. It is not the question of the carriage of mails in which we are most vitally interested. We have to remember that in addition to the carriage of our mails it is proposed that these steamers shall be fitted with cold-storage chambers, so that they may be really up-to-date ocean carriers, and as Queensland will be called upon to contribute her share of the subsidy, we naturally and justly claim that she has a right to share in the service. That has been our contention from the first, and it will continue to be so. If we are to have purely a mail service, I contend that where the State railways begin the oversea service should terminate, and that the Commonwealth should pay accordingly; but if it is to be a commercial service let it be one that will serve the whole of the States. I am sorry that the overtures made to the Postmaster-General in regard to this matter have been such that he is unable to accept them; but I see no reason why we should despair. Competition exists in the oversea carrying trade, as it does in relation to most other matters, and I believe that this competition will operate rather to our advantage than to our disadvantage. I only wish that it were in our power to do as Sir Charles Lilley, one-time Premier of Queensland, did with the shipping companies. At the time in question there was one huge monopoly running vessels along the Australian coast, and an exorbitant price was demanded for the carriage of our mails to the northern parts of Queensland. Sir Charles Lilley refused, however, to accede to these demands. He chartered one vessel, and ordered the construction of another, to carry the mails, and also to enter into competition for the general carrying trade. When the monopolists saw that they were likely to lose the general carrying trade, as well as the mail service, they gave in. If the Commonwealth could treat the shipping companies in a similar way, and charter vessels for our oversea mail service, good results would follow. It seems rather a large proposal to make, but the effect of the action taken in Queensland was to bring the steamship owners to their knees, and to cause them to agree to the terms proposed by the Government.

Mr. GROOM.—The late Honorable T. J. Byrnes threatened to take similar action.

Mr. WILKINSON.—Quite so.

Mr. FOWLER.—It is not a larger undertaking than is the running of railways by the States.

Mr. WILKINSON.—Quite so. The States are common carriers, so far as the railways are concerned, and if this proposal were carried out the Commonwealth would be a common carrier over the ocean. Not only did the shipping companies accept the terms imposed by Sir Charles Lilley, but they took over the chartered vessel, and purchased the *Governor Blackall*, the construction of which had been ordered.

Mr. FOWLER.—That is a good example for the Commonwealth Government.

Mr. WILKINSON.—I think it is. I do not know whether it would be too large an undertaking for the Commonwealth at the present time; but I am certainly not one who would submit to the dictation of either the P. and O. Company or any other body of steamship owners.

Mr. KELLY.—It is a question of bargaining, not of dictation.

Mr. WILKINSON.—Exactly; but the steamship companies appear to think that they have the Commonwealth at their mercy. If we can show them that they are mistaken their bargaining will be very much more reasonable than it has been. The honorable member for Darling Downs last night dealt very effectively with this matter, and I shall therefore not enlarge upon it. There is little to fear with regard to the carriage of Australian produce to the markets of the world. As the honorable and learned member for Darling Downs has pointed out, Queensland has arranged for a new line of steamers, fitted with the latest appliances for the carriage of her produce to the markets of the old world, and within the last three or four months butter to the value of £76,000 or thereabouts has been shipped by this line. This is only one of many items. The butter industry in Queensland is assuming very large dimensions, and, great as are the proportions which that industry has assumed in Victoria, I believe that in Queensland its possibilities are even greater. As this industry, as well as the frozen meat and other industries expand, we shall not have to fear any lack of transport facilities for our goods, for only those vessels that are most effectively fitted up will secure our trade. Reference has been made during the course of the debate to the conduct of the recent elections. I myself observed a good many faults in the course of the campaign; but on

the whole, considering that we had a new system to work, and that, with a view to minimizing the expense, we placed that system as far as possible in the hands of members of the Public Service—men to whom the work was practically new—we have very little of which to complain. It is a matter of comparative ease to point to faults, but when we consider the disadvantages under which the officials had to labour, it seems to me that the mistakes of which we have to complain are remarkably few. So far as the conduct of the elections in my own division was concerned, I had not the slightest fault to find with any of the officials. There is one particular passage in the Governor-General's Speech with which I am very much pleased. It indicates the intention of the Government to endeavour to stimulate our native industries, to encourage the starting of new industries, and to find more markets in the more thickly populated centres of the world. In the course of his able speech at the Conference of States Treasurers, recently held in Melbourne, reference was made by the Prime Minister to the Queensland exhibit at the Royal Agricultural Society's show, held at Melbourne last year. The honorable and learned gentleman mentioned the attention paid to the exhibit as an illustration of the good effects which would follow the advertising of the Commonwealth in Great Britain. Having inspected that exhibit, and having heard many comments made by visitors to the show from all parts of Australia, I feel satisfied that the action taken by Queensland had a most beneficial effect. I am at one with the Prime Minister, and I believe with every other honorable member, in the opinion that Australia's chief need at the present time is more population, but I do not agree that assisted immigration is desirable. If we reverted to a system of assisted immigration, we should be likely to attract to our shores men who would be a tax on the community, rather than those who would assist the people already here in bearing the burdens which we have undertaken in order to develop the continent. We have placed ourselves under a great responsibility by expending large sums of money on public works. They are far ahead of our present requirements, but are designed to give access to our mineral and pastoral wealth, and the few who are here are bearing the burden. If we bring persons to our shores who have not the means to at once become producers we shall only add to, rather than decrease our burdens. Advertise Australia

by all means; advertise her products. Let the world know what Australia can produce, what her climate really is, and let us send samples of our products, not only to the British Isles, but to the Continent of Europe. Some of our best settlers have come from Germany, Denmark, and other Continental countries, and we should not confine our efforts to the British Isles. The stream of immigration which is flowing to America is not an all-British one; a very large portion of it comprises persons from continental countries, who make most desirable citizens.

Mr. CROUCH.—Including Italians.

Mr. WILKINSON.—There are Italians who are very desirable citizens, while there are others who are not. I believe that Italians who engage in agricultural and viticultural pursuits are a most desirable class; whereas those who grind organs and carry monkeys round the streets of our cities are undesirable. It has been said of the land laws of Australia that nearly every member of Parliament has a land bill in his pocket, and it is no doubt true that nearly every member of Parliament holds a different opinion as to the way in which to increase our population from abroad. I have said in the Parliament of Queensland, and also, I believe, in this House, that we have only to make the conditions of life attractive in Australia—to make it known in the older parts of the world that the conditions of life here are more attractive than are those elsewhere—when the tide of emigration will flow to, instead of from, Australia. How this is to be done is a matter of opinion, and I should occupy too much time in placing my views on this subject before the House.

Mr. PAGE.—No. no.

Mr. WILKINSON.—When the matter comes to be discussed upon a separate motion, I shall have something to say in regard to it. As to advertising Australian products by the sending of exhibits to the old country, the Prime Minister said very truly that the exhibits sent by Queensland to Melbourne were regarded with rather unfriendly eyes by some Victorians, who thought that it was not right for one State to take action which might tend to attract the population of another State. I do not think that there were half-a-dozen items in the exhibit referred to which could not have been produced within the Moreton electoral division, so that honorable members can imagine what an exhibition could be made of the products of the whole of Australia, from

the Gulf of Carpentaria to Wilson's Promontory, and from Point Danger to the Leuwin. Hardly anything can be produced anywhere which could not be produced in Australia. I should like now to say a word or two in reply to what was said by the honorable member for Maranoa about the duty on meat wraps. I have received from the Meat Export Company a letter similar to that which he has read, and I agree with him that until we begin to manufacture these things for ourselves, they should be exempt from duty.

Mr. WATKINS.—Of course, everything required by Queensland producers should be admitted free, while things required by the producers of other States are subjected to duty.

Mr. WILKINSON.—The honorable member has never known me to take that position. I have consistently voted for the imposition of duties upon articles which we manufacture, or are likely to manufacture, and for the free admission of articles which we cannot, or are not likely to, manufacture or produce. I am just as proud to declare myself a protectionist as the honorable member for Maranoa is to declare himself a free-trader.

Mr. TUDOR.—The honorable member for Maranoa is not a free-trader in respect to bananas.

Mr. WILKINSON.—The honorable member for Maranoa should know that if large manufacturing populations spring up in our larger centres, meat wraps will hardly be required, because most of our meat will be consumed within the Commonwealth. He seemed to imply that the honorable member for Wide Bay is a protectionist because Maryborough, Bundaberg, and Gympie are protectionist in their fiscal opinions. That remark was ungenerous. The honorable member for Wide Bay would not sink his principles to please the electors in that way. He is a protectionist as the honorable member for Maranoa, is a free-trader, by conviction; though it might be retorted upon the honorable member for Maranoa that he is a free-trader because cattle and sheep are the chief products of his electorate. I hope that the day is not distant when we shall not only manufacture meat wraps and other cotton goods, but shall grow the cotton from which they are made. There is now a movement for the re-starting of the cotton industry in Queensland and in other parts of the Commonwealth. In my opinion, cotton growing could be made remunerative

even without the employment of coloured or other cheap labour. I was connected with the industry years ago, when only the cotton fibre was used, and the by-products were allowed to go to waste, and from the knowledge I possess I am firmly convinced that profitable crops could now be obtained by the employment of white labour. If we can grow our own cotton and weave it into cloth for the use of producers in other industries, why should we not do so? The work of growing and manufacturing the cotton would provide means of subsistence for a large population, who, in turn, would consume the products of others, and would help the community to bear the burden which we have undertaken to carry in order to open up our waste lands and make them available for settlement. The honorable member for Maranoa deprecates the giving of bonuses for the production of cotton, as he deprecates the giving of any bonus; but I do not agree with him that to open the subject is to disturb the fiscal question. Even some free-traders advocate the giving of bonuses.

Mr. THOMAS.—Only very peculiar free-traders do so.

Mr. WILKINSON.—The honorable and learned member for Corio reminds me that the late Sir Edward Braddon, as a member of the Iron Bonus Commission, recommended the giving of a bonus for the production of iron. He was one of the most ardent free-traders in this Chamber, and I have heard other free-traders say that, while they object to protection because the duties are imposed for all time, they do not object to bonuses, because the payment of them can be made terminable at the end of a certain period.

Mr. THOMAS.—We admit that bonuses are not quite so bad as duties.

Mr. PAGE.—Will the honorable member give us his experience of bonuses?

Mr. WILKINSON.—I have had experience of bonuses only in connexion with the growing of cotton in Queensland, years ago, at the time of, and shortly after, the American war, when the price was high because of the shortage in Lancashire. The Queensland Government then offered a bonus of £10 for every 300 lbs. of clean cotton, that is, cotton without the seed. A few engaged in the industry, and many middlemen, made their fortunes out of it because the farmers were not able to provide machinery for ginning and had therefore to sell for any price they could get to a few large

storekeepers and others who brought machinery into the State and obtained the bonus given by the Government. The farmers who paid to have their cotton ginned had to wait for their money until the return came from the old country, which took nearly twelve months. In those days there was no cable service, and no ocean greyhounds, and the sailing vessels used to take from seventy to 112 and 120 days on the voyage from here to England. Then the insurance charges were high, because of the length of the voyage and the liability of the cotton to sweat, and heat, and catch fire, and the freight charges were high for similar reasons. Lastly, there were no branch railways running into the country to convey the cotton from the fields to the ports of shipment, so that local carriage was much higher than it would be to-day.

Mr. PAGE.—Now tell us about the effect of the other bonus.

Mr. WILKINSON.—No doubt the honorable member refers to the bonus on manufactured cotton, which, I admit, was an absolute failure, because the control of it was given into wrong hands. Similarly, if the sugar bonus were wrongly administered, it would be a failure, though I am sure that the honorable member believes too strongly in a White Australia to advocate its removal because of that possibility. It is not because there was mal-administration in the past that we need submit to it in the future. It must be remembered, too, that in those days only the staple of the cotton was used, the more valuable products going to waste. Now, instead of thousands of tons of seed being thrown away, the hull would be made into potash and the pulp pressed into oil cake. Cotton oil is now an article of commerce as valuable as the staple itself.

Mr. McDONALD.—They were recently preserving cotton seed at Ipswich.

Mr. WILKINSON.—The seed was sold to the farmers as food for cattle, in its raw state, without having the oil pressed out of it. No doubt, however, there will be an opportunity to discuss the whole matter in detail when the Minister gives effect to his intention to propose a bonus for cotton grown by white labour. There must, of course, be the stipulation that white labour only shall be employed, because otherwise Chinese will rush into the industry. While on this subject, I wish to draw the attention of the Ministry to a phase of the alien question which has not yet been referred to. Our legislation has driven a

large number of Asiatics, mainly Chinamen, out of the sugar industry, and they are now taking up land on lease, in the northern parts of Queensland particularly, and growing fruit, chiefly bananas and pine apples. Their competition with the white growers is so severe that it seems to me that measures must soon be taken for the protection of the latter. Not only does the production of bananas and pine apples at cheaper rates than those for which they can be produced by white labour make the competition of white men in that branch of industry impossible, but by decreasing the value of other fruit it interferes with the profits of other white fruit-growers. I desire to direct the attention of Ministers to one or two little matters regarding which I have asked for information. One of these has relation to the administration of the Patents Act. Last week I asked the Prime Minister, on notice—

Whether a working man, say in Queensland, who desires to obtain a patent under the Commonwealth law, will be in as good a position as one who resides in Melbourne, or wherever the seat of government may be?

To that question I received this reply—

Yes. All persons in the Commonwealth desirous of obtaining letters patent are on the same footing. All can make application through the post, personally, or by a patent attorney, or agent.

The majority of mechanical inventors are poor working men, and they prefer to attend to their business personally, without the intervention of too many attorneys or patent agents. Honorable members will see at a glance that under present conditions an inventor in Western Australia or Queensland would be placed at a great disadvantage as compared with one located at the seat of Government. When the Bill was under consideration, it was suggested that patents offices should be established at all the principal cities of the States, so that applicants for patent rights might lodge their applications, meet any objections that might be raised, and have an opportunity to inspect all plans and specifications of past patents. The second question addressed to the Prime Minister was—

If a dispute arose regarding his patent rights would it be necessary for a Queenslander to journey to the seat of government to fight his cause?

To that I received this answer—

Not necessarily. Matters of small importance could be settled by post, but in the event of any serious dispute arising, say, for instance, opposition, it would be necessary for the parties to be represented by a patent attorney or agent, or to attend personally.

Mr. Wilkinson.

If a man is to be represented by a patent agent or an attorney, he must consult him, and although it might not be necessary for an inventor to travel from the State in which he was residing to the seat of government, the attorney would have to come to him, because it would be impossible to make satisfactory communications by post. The other question I addressed to the Prime Minister was—

Is it intended, in the working of the Patents Act, to provide for the distribution of all necessary information relating to patents granted in all the more important centres within the Commonwealth, so that persons desiring to inspect the same may be able to do so without journeying to the seat of government?

The answer to that I regard as eminently satisfactory, because the Minister was good enough to reply in the affirmative. I do not propose to enter upon a lengthy discussion of our defences at this stage, because I recognise that the proper time to do that is when the defence estimates are before us. Last week I asked the Minister for Defence—

Whether it is true, as reported in the Queensland press, that recruits for the Defence Force in that State would not receive uniforms in time to enable them to go into their annual encampment?

The reply was—

Every effort is being made to supply uniforms prior to the annual camps of training.

The second question was—

Will the Minister say whether or not the £25,000 which the Right Honorable the Treasurer anticipates will be saved this year on ordinary military expenditure is being saved by keeping down the strength of the regiments, and by delaying the supply of uniforms to such recruits as have joined the Defence Force during the current year?

The answer to that was "No." I am rather inclined to think that the Minister has been misinformed, for I have here an extract from the *Brisbane Courier* of 29th February, in which an officer of the Department, whose name I do not wish to give, is represented as having, upon arriving at a town in my electorate, congratulated the commanding officer upon the manner in which his men had turned out. The officer is stated to have added—

The recruits would not have their uniforms in time for camp, but he asked them to show the Commonwealth their zeal by joining the movement to supply uniform at their own expense.

There have been complaints of the great difficulty experienced in bringing some of the regiments up to their full strength. Can this be wondered at, when not only is pay deferred, but recruits are asked to go into camp either without uniforms, or with

uniforms provided at their own expense. The officer in question was good enough to add—

He was determined to take the whole regiment into camp, and in uniform of some sort, and he asked the officers and men to throw their hearts into the movement.

An extract from the *Brisbane Courier* of an earlier date reads as follows:—

Sir George Turner anticipates that fully £25,000 will be saved this year on ordinary military expenditure, and adds that this will enable the military authorities to exceed the vote of £75,000 for munitions of war. How this money is being saved the Treasurer could not explain, but the conclusion come to is that the forces have not been recruited up to the strength provided for in the Appropriation Act. In next year's Estimates provision will be found for a greatly increased supply of military stores.

It would not be at all difficult to provide for an increased supply of military stores if the rank and file of the forces were starved. I am entirely at one with the honorable member for Maranoa in the remarks he has made, and I do not think that the most democratic honorable member is averse to a reasonable expenditure upon proper defences. It has been pointed out time after time, and Ministers themselves have agreed, that there should be no expenditure on frippery—upon scarlet and gingerbread—but that the defence vote should be spent exclusively upon what would be of service in time of war. The money referred to has been saved at the expense of the real fighting forces. Some of it has, perhaps, been spent in the purchase of rifles and other munitions of war, but a good deal more than ought to have been so expended has been devoted to keeping up the parade of pomp amongst the staff officers. I do not propose to touch upon the Conciliation and Arbitration Bill, beyond stating that my attitude is well known, because I made my position very clear during last session. When the Bill comes before us I shall not deviate from the course I then laid down. I desire to direct the attention of the Minister for Trade and Customs to a small matter that has arisen out of our Excise legislation. I had occasion to approach the Department a short time ago on behalf of a cigar-maker in my constituency, whose small factory turned out only about 90,000 or 100,000 cigars in the course of the year. This factory was the man's means of living, and was, in fact, his all. When the Custom-house at Ipswich was closed, no inspection of this factory could be made

unless an officer travelled from Brisbane. I asked the authorities at the latter place whether it would be possible for them to send a man to make regular inspections, but they represented that they could not do so, and led me to understand that a licence would not be granted, because the cost of inspection would be too great. There was no desire on the part of honorable members to crush out small men, and thus strengthen the big monopolies. I had intended to refer to certain matters relating to the administration of the Post and Telegraph Department, but I shall leave these to be dealt with on a future occasion, and endeavour in the meantime to arrive at some understanding with the Minister regarding them. I need not further detain the House. I came here as a supporter of the Government, and intend to accord them warm general support, subject to the conditions I laid down when I was before the electors in regard to the Navigation and Conciliation and Arbitration Bills. From those conditions I cannot depart, even though the fate of the Government may be involved. In all other matters I shall give them my cordial support.

Mr. CROUCH (Corio).—The truth of the statement of the Prime Minister during the early days of the first Parliament, that the Commonwealth was a living organization, and that as such it would grow and extend its powers is well demonstrated in the speech now before us. Certainly, if we were to attempt to deal with half the measures therein mentioned, this session would extend so far that we should have to make arrangements for a Christmas adjournment. It would have been far better if the Government had confined themselves to two or three main measures, important for their national character or urgency, without bothering about other proposals which are mentioned in the speech, I take it, merely in order that they may play the part of "window dressing." I desire to address myself specially to the Conciliation and Arbitration Bill. That is the only proposed legislation to which I shall refer; my other remarks will be confined to matters of administration. I am almost compelled to declare my position in regard to the Conciliation and Arbitration Bill, because my name was included in a list published in one of the daily newspapers which purported to indicate those honorable members who were prepared to vote against railway servants being brought within the scope of the

measure. I propose to take up the same position that I adopted when the measure was before us last year. I then said that I was in favour of bringing railway servants within the scope of the Bill, because I held that if a Government entered into trading enterprises, it should be subject to the same limitations as other employers, and that it would be most unfair for a Government to expect to trade if it were unwilling to submit to the same legislation that applied to rival employers. During the last electoral campaign I stated that if my opposition to the Government upon this matter would have the effect of bringing the free-trade party into power, I should have to choose the lesser of two evils, and that, in order to save the Government, I should not, so far as I was concerned, insist upon bringing railway servants within the scope of the Bill. In view, however, of the declarations made by the leader of the Opposition and a number of his followers that they intend to support the Government, the question loses its party complexion, and I feel that I shall be free to vote according to the dictates of my conscience.

Mr. G. B. EDWARDS.—Why should not the members of the Opposition choose the lesser of two evils?

Mr. CROUCH.—I have no doubt they will choose what they regard as the lesser of two evils. This question is entirely robbed of its party aspect when we find the leader of the Opposition and members of what may be called the Conservative corner on the Opposition side coming to the support of the Government. During this debate another announcement has been made, which is of very great importance, because, in my opinion, it means a definite re-arrangement of parties in this House. Hitherto the chief subject of difference between members of the Opposition and Ministerial supporters has been the fiscal question. Now, however, that issue is to be sunk. Honorable members will recollect that, before the Cobden-Bright crusade in England, a similar condition of affairs obtained. There protectionists had a majority for many years, though there was a decreasing minority of free-traders. In the Victorian Parliament the fiscal question was never raised, because nearly all its members were protectionists. Further, that has been the position of parties in England from 1856 onwards, as most of the members of the Imperial Parliament were

free-traders. Neither in the Victorian nor the English Parliaments, therefore, has the fiscal question been one which determined upon which side of the House a member should sit. The declaration of the leader of the Opposition, that he is prepared to accept the verdict of the people of the Commonwealth upon this question, necessarily involves the formation of new parties. These will be based, not upon the fiscal issue, but upon other considerations and new principles. The other day I was looking up a biography of Lord Beaconsfield, which shows very clearly how, in 1847, a similar state of flux existed in England as now obtains in Australia, and I may be pardoned for reading from it a very short extract. The position was that Disraeli had severed himself from his party, and with Lord George Bentinck had formed a protectionist party. He had refused to follow Sir Robert Peel, who was a free-trader, with the result that the latter was defeated. The extract to which I have referred, which fairly accurately describes the present position of free-traders in Australia, is as follows:—

But the really important point in this election is the attitude of Mr. Disraeli to protection. Whether he ever really believed in that doctrine or, not, he may be credited with sufficient sense to see that, if once abolished, it could never be restored. He knew, of course, that the people having once got the taste of cheap bread, would rise in rebellion rather than again allow its price to be artificially raised by protective laws. The difficult problem which Mr. Disraeli had, therefore, to solve was, to keep up his appearance of a belief in the possibility of a return to protection, and at the same time gradually pave the way for abandoning protection. This is the game which he plays for the next few years, and I think the reader will not be wholly unamused in watching the skill, the audacity, and the unscrupulousness with which he played it. . . . This thesis, that an immediate return to protection was impossible, he enlarged on during his many election addresses; taking care, however, be it remarked, to hold out at the same time the hope that what was impossible for the moment would be possible by-and-by. It is this that constitutes the dishonesty of Mr. Disraeli's action. The harm he did by keeping alive these hopes, which he knew to be false, is incalculable. It induced lethargy in both the landlord and the tenant, and throughout the entire community it kept up a dangerous feeling of uncertainty.

I venture to say that, if the free-trade members of this House—who appear to be in a state of revolt against their leader upon the fiscal question—attempt to raise that issue, after the pronounced way in which the people have declared in favour of protection, their action will be prompted by a desire to

induce hopes which they know to be impossible of realization. I need scarcely point out that Western Australia returned to the first Parliament only two protectionists. The leader of the Opposition subsequently visited that State, and conducted a free-trade crusade there, with the result that five protectionists have been elected to this Parliament.

Mr. JOSEPH COOK.—Were they returned as protectionists? I am sure that not one of them will say so.

Mr. FRAZER.—But they all defeated free-traders.

Mr. CROUCH.—Similarly, in the first Parliament, four protectionists were returned by Tasmania. Then the leader of the Opposition visited that State, and embarked upon another free-trade campaign, as the result of which it has since returned six protectionists. Indeed, every State of the Union, save New South Wales, has returned a majority of protectionists. I venture to say that the free-trade policy is maintained in New South Wales only because the Sydney newspapers suppress proper information. I am glad to note the attitude which has been adopted by the Ministry in connexion with the proposed introduction of Chinese into South Africa. I would remind the House that on the 26th September, 1902, I brought this matter forward, and urged the Government to make representations to the Imperial authorities against the proposed admission of Chinese into the Transvaal and other South African States. I was exceedingly pleased to hear the criticism in which the leader of the Opposition indulged, because the Government have been content to follow the lead of Mr. Seddon upon this question, when the opportunity was clearly offered, and the occasion certainly demanded, that the Australian Ministry should take definite action. I remember that on the occasion to which I refer the present Prime Minister, the honorable member for Bland, the honorable member for Parramatta, and the honorable member for Darwin objected to any such representations being made. Consequently, none were made, and we have had to wait for eighteen months to discover that we ought to follow the example of New Zealand in this matter. I then reminded honorable members that Australians fought and shed their blood to preserve the South African Colonies to the Empire. Therefore, I claim that we have a right to exercise a voice in the terms of

peace which were agreed upon. Indeed, Mr. Chamberlain promised that the Colonies would be consulted in the terms of peace — a promise which was never carried out. I am very pleased to know that the opinion is rapidly gaining ground that Australia will not consent to its own flesh and blood being denied an opportunity to obtain employment in those States. Some criticism has been indulged in with reference to the new regulations of the Defence Department. In my opinion the Minister has acted in a very proper manner by offering to forward to every honorable member who desires it, a copy of the new defence regulations, and by inserting in the *Government Gazette* an intimation that any suggested amendments in them shall receive fair consideration. Consequently, if, in the future, honorable members complain of feathers and gold lace, unless they make proper representations to the Minister, they will have only themselves to blame. I understand that the Minister for Home Affairs has asked for a specific instance of incompetence on the part of the Chief Electoral Officer. From my own experience I am able to supply him with one of several, because there is no honorable member in this House who does not thank his stars that the electoral arrangements did not completely collapse. The statement of the Prime Minister that he feared there would have been an entire breakdown in those arrangements is a sufficient indication of the weakness of the Department. I wish, however, to state one case, in which incompetence was displayed, so that it may be placed upon record in *Hansard*. At Queenscliff, eighty-one soldiers discovered that their names were not upon the electoral roll. Accordingly they forwarded a list to the Chief Returning Officer, but received no reply to their communication. Their commanding officer then wrote on their behalf, and he also failed to elicit any reply. Subsequently the men communicated with me. I interviewed Mr. Lewis, who rang up Mr. Newman to inquire into the matter. The latter admitted that he had received the list in question, that he had not replied to the letters, and had promised that all the names of the men would be placed upon the rolls, adding that they had already been forwarded to the Government Printer. I need scarcely inform honorable members that none of these men's names appeared upon the roll. I think that is a specific instance of incompetence on the part of some officer, into which the

Minister will deem it to be his duty to inquire. I am very glad that the right honorable member for Adelaide has referred to the recent Conference of Treasurers upon the question of the transfer of the States debts, because it gives an opportunity for that matter to be discussed in the House, and so gives the Treasurer indications of the opinions of members. I must confess that I do not like the Federal Treasurer's proposal to accept part of the gross revenue of the States railways without taking over the administration of those railways. The Federal Convention was very careful to guard against the Commonwealth being made dependent upon the States for any portion of its revenue. That gathering distinctly declared that there should not be a direct contribution by the States towards the expenses of the Commonwealth, as it would make the Federation depend on the States. Therefore, I do not like the proposal of the Federal Treasurer.

Sir GEORGE TURNER.—We should not be dependent upon the States, because we should receive the money direct.

Mr. CROUCH.—The Commonwealth would receive the money, if it were available. But we should be dependent upon the disposition of the States to act generously to the Commonwealth by providing certain revenue. The Minister would also be employing States officers for his own services, because all the railway men would be States officers in the employ of the Commonwealth. That is really the meaning of the Treasurer's interjection.

Sir GEORGE TURNER.—No.

Mr. CROUCH.—The Treasurer would have States officers whom he would not pay—

Sir GEORGE TURNER.—They would be Commonwealth officers.

Mr. CROUCH.—In relation to only one of their functions. In all other respects they would be States officers. As the Treasurer contends that they would be Commonwealth officers, I desire to know whether the Government would extend to them the provision in the Commonwealth Public Service Act that officers who have been three years in the service shall receive not less than £110 per annum?

Sir GEORGE TURNER.—I should have nothing to do with them except through the Commissioner.

Mr. CROUCH.—Then the Government would simply take over one State officer, whilst many States officers would receive Federal moneys. I certainly agree

with the Treasurer that the States loans should not be taken over for some time to come. In view of the fact that at present the average price of States' bonds is £85 for every £100 that has been borrowed, I consider that the Treasurer is very wise in holding aloof from the London money market in anticipation of a good time to come. He has to remember that in spite of the difficulties at present associated with the London money market, with its glut of undigested securities, the Russo-Japanese war will mean, perhaps, that another £300,000,000 will have to be raised by those countries. If the Commonwealth goes into the English money market within the next five or six years, it will not be able to obtain anything but poor prices. I am glad to know that the Treasurer does not propose that the Commonwealth shall go into the London money market at the present time, and that he objects to take over any States bonds until he can obtain £100 for every £100 which we have to pay. It is impossible for him to know what will be the conditions that will obtain when the whole of these conversion loans are required. In the proposal submitted by him to the Conference of Treasurers, he shows that if he simply took over the three-fourths of the total Customs revenue now payable to the States, and did not touch the gross railway revenue of the States, the Customs revenue now going to New South Wales and Western Australia would meet the whole of their interest charges, while Tasmania, Victoria, Queensland, and South Australia would be at most only about £100,000 behind. The proper course for the Government to pursue would be to take over these loans as they become due. That, indeed, is the only course which is open to the Treasurer. Even if it were necessary for him to take over more bonds of one State than of another, he should take them over as they fall due, and he would find by the time that the last loans became payable that our population, and consequently our prosperity, had increased to such an extent that the three-fourths of the Customs revenue, now payable to the States, would be sufficient to meet interest on the loans, and that it would be unnecessary for him to touch the gross railway revenue of the States. In my opinion, it would be disastrous for the Commonwealth to trench upon the railway revenue of the States until we can take over the railways completely. Although the Treasurer cannot at present

take over these loans—and it is my desire that he should not approach the London money market until he can obtain £100 for £100—I think he might very well set to work immediately to establish a sinking fund. When the Tariff was before this House the leader of the Labour Party submitted a motion for the abolition of the tea duty, but stated that he would not object to such a duty if the money so raised were applied to a sinking fund for the extinction of our enormous indebtedness. By means of tea duties we should be able to raise £300,000 or £400,000 per annum. I do not think it would be wise for the Government to take over all the functions of a State bank; matters relating to private borrowing are much better left in the hands of private institutions. But one of the functions of banking that we might properly take over would be the issue of notes equal to the bank notes now in circulation in the Commonwealth, and which represent about £10,000,000. The money so derived, together with the amount raised by means of a duty on tea, could be devoted to a sinking fund for the purchase of State securities—regardless of the State which had issued them—at the lowest price at which they were available. In that way we should improve the credit of the State, and be able to buy at times when it would be most profitable for the Commonwealth to do so.

Mr. CARPENTER.—How would such a system improve the credit of the States?

Mr. CROUCH.—If the Commonwealth were able to constantly buy up States bonds at £83 or £85, it would thus force up the value of the stocks in the London market. It was a system of this kind that was really responsible for the fact that, until the South African war, English Consols were always above £100. The National Debt Commissioners were always in the market buying up English Consols, as opportunity offered. In the same way, if the Commonwealth purchased, from time to time, States bonds which were the lowest in the market, we should increase the price of the debentures, while at the same time our credit would be improved when we as a Commonwealth come into the market. We should, likewise, pave the way for a more profitable flotation of Commonwealth loans. This is a matter which should be carefully considered, because it would be most unwise for the Commonwealth to go into the market, even for conversion purposes purely, unless it could obtain a full price

for its bonds. Proposals were put before the Conference that the Commonwealth should pay £96 or £98 to convert State loans, but I do not believe in such conversions; they would mean a loss either to ourselves, or to the State. I think that, in each case, we should wait until the next State loan becomes due, leaving the State to float its own loan if the time is still inopportune for Australia to borrow, and then take over—

Mr. CONROY.—Does the honorable and learned member think that the Commonwealth should borrow money to enable it to take over States bonds?

Mr. CROUCH.—The Constitution permits it, and I have already proposed that a sinking fund should be established for the purposes of States bonds, and if my suggestion were adopted, it would only be necessary for the Commonwealth to obtain the consent of the States to the diversion of their three-fourths of the tea duty to the object I have named. There is one other matter which I think should be brought under the notice of this House. I refer to the great falling off in our Customs revenue. I largely account for this decrease by the fact that the change of Ministers has led to the removal of that strict and honest administration which was carried on by the right honorable member for Adelaide when he was in office, and to the substitution of a system of interviews such as those which are now occurring in the Customs Department. The Customs revenue for the year 1901-2 was £8,692,750, while that for 1902-3 was £9,451,686. I find that the figures relating to the Customs returns from June to December, 1902-3, and June to December, 1903-4, show that an absolute loss has occurred—that the collections for the last named period decreased by £200,096.

Mr. JOHNSON.—That is a reflection on the Minister for Trade and Customs.

Mr. CROUCH.—I brought this matter forward shortly after the present Minister for Trade and Customs took office. At that time he made a statement in the press that he was going to change what he regarded as the offensive methods adopted by his predecessor in bringing persons before the courts, and requiring them to be dealt with openly and fearlessly by properly-constituted tribunals consisting of persons trained to undertake such duties. What is the system that the present Minister has substituted? It is one that is absolutely

illegal. The Act provides that the Minister shall hear cases of the kind to which I refer and shall himself decide them. Instead of complying with that provision, the Minister allows these cases to be heard before officers appointed for the purpose in the various States. He does not see the witnesses, and save for the written statements put before him does not know the nature of the offences committed by the defendants. He does not know how the witnesses have conducted themselves, or whether they have spoken truly or not, and he does not always accept the recommendations of the officers who have examined these persons. I wish to put before the House some extraordinary decisions given by the Minister. I can point to various cases in which persons residing apparently in Sydney have been treated differently from those charged with similar offences but living in other parts of the Commonwealth. Several cases are set forth in the *Government Gazette* of the 30th December, 1903. I find, for instance, that Rutty's Limited, of Sydney, for an offence alleged to have been committed on the 11th August, 1903, and consisting of misdescription of goods, were subjected to a penalty of £1; and that Joseph Pickles and Son, also of Sydney, for misdescription of goods on 4th August, 1903, had no penalty imposed on them, their post entry being accepted. Then, again, F. H. Allison, of Sydney, for misdescription of goods was treated in the same way; but W. L. Daniel, of Maffra, Victoria, for the same offence, committed on 4th December, 1902, was fined £3. Again I find that in the *Government Gazette* of 6th February, 1904, it is set forth that Messrs. Davis and Fehon, of Sydney, were dealt with for an offence which, if heard in the Criminal Court, would be described as obtaining money by false pretences. They were found guilty of claiming drawback which was not properly payable, and were fined £5. According to the same issue a Melbourne firm who, I am told, were brought before the Minister on two previous occasions, were dealt with for a similar offence on the 16th January, 1904, and the Minister decided that their post entry should be accepted. In a previous case this firm had made a mistake of £1,000. That mistake occurred when the right honorable member for Adelaide held office as Minister for Trade and Customs, and they were then brought before a Court of Justice and fined. Let me now point to another case. The *Gazette* shows

that Messrs. Colebrook and Knight, of Melbourne, were dealt with for a misdescription of goods on the 4th December, 1902, and that it was decided that a post entry should be accepted, but W. L. Daniel, of Maffra, for a like offence, on 4th December, 1902, was fined £3.

Mr. CONROY.—In the one case the action of the defendant might have been wilful, while in the other a mere mistake may have occurred. It is very unfair for the honorable and learned member to deal with these cases in this way.

Mr. CROUCH.—I am ready to accept all that has been said in regard to innocent mistakes, but the suspicion which is rife in commercial circles as to these decisions would not arise were the cases heard, and not only heard, but decided, in open court. I wish, now, to refer to two cases which may be regarded as relating to other States. I find in the *Government Gazette* of 16th January, 1904, a statement showing that Messrs. Warren and Strong, of Sydney, on 31st January, 1903, were charged with undervaluation of boots and shoes, but that the Minister decided that no fine should be inflicted, and that the post entry should be accepted. In the same issue of the *Gazette* appears a statement showing that J. Howard and Co., of Rockhampton, for omitting goods from entry on 1st October, 1903, were fined £5.

Mr. MAUGER.—Does the honorable and learned member mean to say that there has been any collusion or favoritism?

Mr. CROUCH.—I contend that the Minister should either accept the recommendations of his responsible officers or send these offenders before the court. There is a straightforward way of dealing with these matters, but, as I pointed out shortly after the present Minister took office, the system adopted by him leaves an opening for back-door influences. But for the fact that the fines inflicted were very small there would have been a great agitation. A man who is fined only £3 or £5 has no wish to have his case brought prominently before the public. When we look at the evidence, and find that the Minister in his private room arrives at a decision without the slightest knowledge of the influences which have led up to the recommendation of the officer, and that these decisions are absolutely inconsistent and contradictory, it is time to direct attention to the provisions of the Customs Act, and to see that a return is made to the system adopted by the first Minister of

Trade and Customs. Every man is treated fairly by being sent before the court, and having his case dealt with by a justice of the peace or a police magistrate. That is the course of action which I commended. What was the consequence? I prefaced my remarks by stating that the Customs revenue would fall, and in the first month of the administration of the present Minister it did fall. This is a matter of great importance, not merely to the Commonwealth, but to each of the States. I find that the Customs revenue for the period between June and December, 1903, was less by £200,096 than that for the same period of the preceding year.

Mr. CONROY.—What about the fodder duties?

Mr. CROUCH.—The last Budget contains an estimate of the difference there would be in the fodder duties, and that difference does not account for the fall I speak of.

Mr. DUGALD THOMSON.—What about the falling off of revenue in certain periods during the administration of the right honorable member for Adelaide?

Mr. CROUCH.—I am not able to compare the figures for the period between January and June, because the present Minister has not been in charge of the Customs Department for the whole of such a period. But I have been able to compare the first six months of his administration with that of the right honorable member for Adelaide during the corresponding period of the previous year.

Mr. MAUGER.—A very unfair comparison.

Mr. CROUCH.—That interjection is unsupported by facts. I think the comparison I have made is the fairest possible. I am glad to have had an opportunity to bring the matter before the House. I have not touched upon the measures of legislation referred to in the speech, and have confined myself, with the exception of a few remarks upon the Conciliation and Arbitration Bill, to matters of administration. I trust that when the various measures referred to in the speech are brought forward, I shall have good reasons to give for the votes I shall cast in regard to them.

Mr. KNOX (Kooyong).—I must at once confess that all through I have refrained from speaking, and I am unwilling to speak even now, because it seemed, however paradoxical the position may appear, that the longer the debate continues the more members there are to speak. The discussion

commenced with two conciliatory addresses by the leaders of the Government and the Opposition. They were followed by a speech of the leader of the Labour Party, which contained a paean of satisfaction with the results of the elections, with which that party, I think, are entitled to be gratified. That seems a recollection of a very long time ago, and now that we are in the third week of the session we find new debatable matter being brought forward, which seems likely to prolong the discussion still further. This afternoon we have had practically a grievance day debate, various details of administration rather than general questions of policy having been discussed. I do not propose to follow the last speaker in the suggestions which he has made for dealing with that great question of the conversion of the debts of the States. I hope, however, that no one will listen to his dreamy proposal to take over £10,000,000 worth of bonds for the purpose he mentioned. I shall refer to one or two of his observations because he dealt with a subject upon which I wish to make a suggestion for the consideration of the Treasurer. I hope that the whole question will be dealt with by the House in the manner which its magnitude and its seriousness demand. As the result of the elections, we find ourselves, as nearly every member has admitted, in an almost unworkable position. The only party which benefits by the situation, and will benefit by its continuance, is that which is so ably led by the honorable member for Bland. Last session, it will be admitted, many of the members of the Opposition afforded assistance to the Government when help was required. But that state of things cannot continue. The Government cannot expect to have the help of the Labour Party in regard to labour legislation, and then to depend upon the assistance of the moderate members of the Opposition in passing legislation which the Labour Party consider undesirable. It seems to me, and I am sure to many other honorable members, that the time has arrived when there should be some clear definition of parties in this House, and that the Government should be prepared with a policy upon which it is ready to stand or fall. The Prime Minister has declared that he will go right on, and will countenance no underhand combination. All of us who have had the privilege of knowing him in the past are perfectly sure that there will

be no underhand work, and that whatever combination he enters into will be a straightforward and above-board affair. In pursuing his policy of going right on he has embodied in the Governor-General's Speech a very comprehensive bill of fare. The measures therein referred to divide themselves, in my mind, into those which are practicable and possible, and those which are purely experimental, unnecessary, and impracticable. I think no honorable member believes that the Commonwealth old-age pensions scheme will be carried into effect during the life of this Parliament, however much he would like to see it come about. The Government, indeed, indicate that they regard the giving of old-age pensions by the Commonwealth as consequential upon the readjustment of the public debt of the States. Their action in referring to the matter in the Governor-General's Speech has been criticised as tending to mislead the infirm and destitute. I do not think that that was the intention, but in any case the introduction of a measure to provide for Commonwealth old-age pensions is not practicable during the life-time of this Parliament. Then, with regard to the preferential trade proposals, even those who in Great Britain advocate preferential trade, and believe, as I do, that something should be done to consolidate the Empire, and to secure its trade to its own people, admit that the time is not yet ripe for definite action. Therefore, it is only to delude Parliament to suggest in the Governor-General's Speech that we may be able to deal with it. It certainly cannot be dealt with this session. No doubt the Conciliation and Arbitration Bill is of great importance to the members of the Labour Party, but, in my opinion, the passing of that measure will not make the Commonwealth more prosperous. It is a theoretical and experimental piece of legislation, which, in my judgment, will not improve the industrial conditions of the States. Then I believe the proposed Navigation Bill to be an unnecessary restriction upon the trade and commerce of this country, which ought to be as free as possible. Instead of keeping merchant vessels away from our coast, we should try to encourage them to come here. I also regard the proposed appointment of the Inter-State Commission as impracticable. Surely we ought to be at the end of this process of manufacturing departments, involving the creation of so many new

officers, and the payment of so many additional salaries to burden the taxpayers of the Commonwealth. We have not yet seen the Bill, but I earnestly hope that the High Court, which has not yet been overburdened with work, will be intrusted with the duties attaching to the Inter-State Commission. With the special knowledge which the Justices of that Court possess, they should make an admirable body for dealing with disputes between States. There are two other subjects of which I feel that I must speak with bated breath. One of these is the proposal to construct a railway to connect Western Australia with the eastern States. Upon that matter I am sorry to say that I cannot agree with my right honorable friend the Minister for Home Affairs. It is true that Federation will never be completely and satisfactorily consummated until railway communication is established between Western Australia and the eastern part of the continent; but I hold that there are many desirable enterprises upon which the Commonwealth should embark before that work is taken in hand. I can perfectly appreciate the desire of the Minister and of the people of Western Australia to see the railway constructed; but I do not think that they have any sound ground for the belief that it can be carried out for some time to come, even though it may have formed the subject of a compact entered into prior to Federation. There seems to be a strong disposition on the part of some honorable members to give effect to every provision of the Constitution, irrespective of the financial position or the natural development of the Commonwealth. According to these honorable members, we are bound to give immediate effect to every line of the Constitution, without regard to the necessities of the Commonwealth as a whole. So far as the transcontinental railway is concerned, it seems to me that it would be far preferable to devote attention to the completion of the railway in Queensland that is intended to reach as far as Point Parker. The line would extend from Longreach to Winton and Cloncurry, thence on to Point Parker, and would pass through a magnificent stretch of country, which would be capable of supporting an enormous population, which is full of minerals, and comprises splendid agricultural and pastoral blocks. It was this country which largely assisted the pastoralists of Queensland to overcome their difficulties during the great drought.

Mr. WATSON.—The line would be constructed wholly within Queensland territory.

Mr. KNOX.—Yes.

Mr. WATSON.—Then that would not affect the Federation.

Mr. KNOX.—The railway would affect the whole Commonwealth, and would tend to bring us into closer communication with other parts of the world; therefore I think that it should receive the most careful consideration at our hands. Another subject to which I refer with bated breath is the proposal to establish the Federal Capital. I do not think that this work need be undertaken by the Commonwealth for a long time to come. Undoubtedly, it is provided for in the Constitution; but we have to consider whether it would be expedient to incur the expenditure that would be involved in the establishment of the Federal Capital until the Commonwealth recovers from that long period of depression through which it has just passed. The Governor-General's Speech mentions a number of matters which, unlike those to which I have referred, are of an eminently practical character, and worthy of serious consideration. One of these is the question of the transfer of the States debts, and the method to be adopted in paying the States for the properties transferred to the Commonwealth. It must also be admitted by honorable members that it is desirable that steps should be taken to increase our population, which has been reduced to a state of stagnation owing to the absence of immigration and the lamentable falling off in the birth rate. I am glad to see also that it is proposed to grant assistance to farmers and other producers, because I regard that as a step in the right direction, and as one which will benefit the whole community. I think that the mining industry, which has done so much for the Commonwealth, might also receive a little kindly consideration. Irrigation also is one of those practical matters to which the Parliament might very well direct its attention. The proposal for the encouragement of the iron and steel industry is a good one. We shall never take our proper position as a great nation until we have iron and steel works established in our midst under proper control. It is true that the consumption of iron and steel in the Commonwealth is limited, as compared with that in other countries. It is also well known that pig-iron is brought here in great part, in the form of ballast, and that therefore the freight charges are very small. At the same time we should have in our midst

iron and steel works capable of turning out rails, and other articles of that description. Reverting to the subject of the States debts, I have already discussed the question with the Treasurer, who is familiar with the suggestion which I shall now venture to submit to the House. The memorandum which the right honorable gentleman submitted to the recent Conference of States Treasurers showed a just appreciation of the many difficulties which surround the subject. As was pointed out in that document, and as is well known to honorable members, only the debts contracted prior to Federation can be taken over by the Commonwealth. It would be necessary to amend the Constitution, if it were desired that the Commonwealth should take over liabilities incurred by the States since the establishment of Federation. The public debts of the States amount to £228,000,000. Honorable members will recognise that this is a task of enormous magnitude, and one which demands very careful consideration. It is impossible to deal satisfactorily and finally with the question simply by the wave of a magician's wand. I entirely agree with the remarks of the honorable and learned member for Corio, that it will be a very long time before the Commonwealth will be able to borrow in London at a lower rate of interest than the States can do so at the present moment. As he very properly pointed out, most of the surplus capital available in England is now being absorbed for various purposes. Not only is the Government borrowing largely for its own purposes, but various corporations are doing the same thing, and the South African States are also receiving financial assistance. It is estimated that there are somewhere about £200,000,000 of surplus profits available in Great Britain each year for investment. It is true that if that accumulation continues it should materially ease the congested state of the money market if confidence in the Commonwealth and in the States finances can be restored. To me it seems perfectly clear that the States of the Union which have the lesser indebtedness will never consent to burden their people with a general *per capita* charge, in order to adjust their circumstances to those of the other States. No satisfactory solution of this question will be arrived at until the whole of the States debts are taken over by some central authority—either by the Commonwealth, or some body which may be constituted a trustee. Such a body might well

be composed of representatives of the States and of the Commonwealth, and be vested with power to handle all loans, and to deal with all future flotations. It might very appropriately be called "The Commonwealth of Australia Council of Finance." It should consist of two members of the Federal Government, and a representative from each of the States Governments. It should possess a permanent head in order to ensure a continuity of policy and efficient control. Of course this could not be brought about without first securing an amendment of the Constitution. As I have previously pointed out, some change in the Constitution must be made if the Commonwealth is to assume control of the debts which have been incurred by the States since the inauguration of Federation. If necessary the States, by means of enabling Acts, could take the necessary powers for creating such a body as that which I now suggest. I am one of those who believe that the Braddon section in our Constitution will require to be continued for very many years. I am satisfied also that when the book-keeping section expires the States will insist upon its renewal. I repeat that, for years to come, none of the States will be prepared to surrender their control of the railways, or to submit to any interference by the Commonwealth with their railway development. Such a council as I have suggested would conduct all future flotations, and constitute a governing and informed body possessed of a continuous and definite policy. Of course, I am quite aware that the objection which will be urged against such a proposal is that it would result in the loss of direct parliamentary control. But I would point out that all the States of the Commonwealth would have direct representation, and that such representation would always be subject to review by the Federal and the States Legislatures. We all know the magnificent success which has followed the creation of a somewhat similar body in Egypt under the presidency of Lord Cromer.

Mr. DEAKIN.—But in Egypt, it has not to deal with different States.

Mr. KNOX.—I am perfectly aware that the conditions are not analagous. Nevertheless it affords us an example of a body which deals with large sums in a way that is in the best interest of all concerned. I urge my suggestion upon the grounds of public economy and efficient control. I believe that it deserves the consideration of

the Treasurer quite apart from the fact that it would prove a means of uniting the interests of the Commonwealth and of the States. As I have previously intimated, I think it is necessary for us to adopt some means to increase our population. It cannot be denied that even in Victoria there are vast areas of land which ought to be occupied by small tenants. That can be secured only by first laying down the lines of a scheme which is calculated to attract desirable immigrants to our shores. Honorable members who have recently been to London must be cognizant of the gigantic efforts that are being made in a similar direction by Canada. The Government of that country has opened extensive offices for the purpose in Whitehall, and these are daily crowded by persons who desire to take up land in Canada. The Canadian Commissioner was good enough to supply me with a mass of information regarding the methods which are adopted by the Immigration Office. Needless to add, these are far superior to those which are adopted by our States offices. Many laws have been passed by this Parliament that have tended to bring the Commonwealth into disrepute. We are being subjected to a great deal of misrepresentation, and the people of England have not a true conception of the true position of affairs. I hold the view that one of the most practical steps which the Government could take to counteract this evil would be to appoint a High Commissioner. That view may not be shared by some honorable members; but such an appointment is really essential. We have no proper representation in London, and it is desirable that this fault should be remedied without delay, in order that the position taken up by the Commonwealth may be clearly understood. It would not be a difficult matter to send home a representative of the Commonwealth qualified to find markets for our produce; but it is necessary that the High Commissioner should also be a man who has held high office, who is able to speak with authority, and whose words will receive the consideration of the public. Everything, of course, will depend upon the selection made by the Government. The most eloquent, enthusiastic, and practical man, so far as the development of Australia is concerned, should be appointed to the position. I earnestly hope that the Government will not view the appointment as one which should be made without grave consideration, for to select any one who is not enthusiastic

in his desire to promote the best interests of the Commonwealth would be simply to waste our money. A responsible duty lies in front of this officer, for at present the Commonwealth does not stand well in the eyes of the British public.

Mr. McDONALD.—Why?

Mr. KNOX.—No one should be better qualified to answer that question than is the honorable member. I repeat, without fear of contradiction, the statement that certain legislation which we have passed has brought the Commonwealth into disrepute.

Mr. McDONALD.—A few of the wild-cat schemes floated in the London market are responsible for this state of affairs.

Mr. KNOX.—I consider that—

Mr. GROOM.—Similar legislation has not brought the United States of America into disrepute.

Mr. KNOX.—I do not hear to what the honorable and learned member is referring; but I consider that the High Commissioner will have a responsible task before him in explaining some of our past actions. It is perfectly idle for honorable members to imagine that they can gainsay the facts. Let them peruse a few of the journals which exercise an important influence on investors in Great Britain, and they will find that some of our legislation has brought the Commonwealth into disrepute. Had there been a High Commissioner in London, he would have been able to explain away much of the misrepresentation that has occurred. There has been much exaggeration abroad in reference to our actions, and we have not had any one in England able to speak with authority in regard to what our actual intentions are. If the Commonwealth is to succeed, we must follow the lines upon which the prosperity of older countries has been built; we must have regard for ordinary business conditions of life. It is necessary for us to attract capital for the development of the legitimate industries of the Commonwealth.

Mr. KENNEDY.—We collared a good lump of what we attracted here some time ago, and that is what has caused the trouble.

Mr. KNOX.—I do not know what the honorable member is alluding to. But if we are to restore the confidence of the British public in the Commonwealth, we must have a representative in London to protect and push our interests.

Mr. PAGE.—Whom would the honorable member recommend?

Mr. KNOX.—The most eloquent member of this House would be the most fitting representative of the Commonwealth in Great Britain. Every honorable member knows to whom I refer. In the earlier portion of my address, I referred to the existence of three co-ordinate parties in this House, and indicated that the present position was untenable. We all admit that the fiscal question is practically dead.

Mr. JOHNSON.—No.

Mr. KNOX.—I, for one, think that it is. Had that fact been recognised at the last election—had the fiscal issue been subordinated to a consideration of the general interests of the Commonwealth, I feel satisfied that we should have had a more definite division of parties than we have.

Mr. JOHNSON.—The fiscal issue was very much in evidence in New South Wales.

Mr. KNOX.—While it continues in evidence we are unable to come down to reasonable conditions. The Labour Party have shown us what can be done by organization, and by differentiating between what is important and unimportant, and in that respect deserve every commendation. It is a standing rebuke to the other parties in this House that, by means of united action, and by putting forward a distinct programme, the Labour Party have been able to improve their position, whilst other parties who did not discriminate, as they did, between important and unimportant details of policy, have come back to the House reduced in numbers and divided in strength. In subordinating the fiscal issue to other considerations the Labour Party has set us a splendid example. They consider that their socialistic platform is of infinitely greater importance to those whom they represent than is the fiscal issue. They allow their members to vote independently of party consideration so far as that issue is concerned, but, with that exception, they are a united body. It is highly desirable that we should rehabilitate the Commonwealth in the eyes of the public, for I feel satisfied that if a vote were now taken throughout Australia, the decision of the people would be absolutely against Federation. The feeling against the Commonwealth is most intense. The Minister for Home Affairs to-night once more threw down the gauge of battle, and indicated that a feeling of unrest exists even in Western Australia. We know, also, that New South Wales is dissatisfied with her position, and surely it is manifest that this state of affairs is

due to the fact that the Commonwealth Parliament, instead of taking up that high position which it was expected to assume, has failed in many respects to have regard to practical and business-like lines of legislation, and has, therefore, disappointed every one. Another reason for this dissatisfaction is that the States, as States, with certain responsibilities which they must bear, are beginning to believe that the Federal Parliament is endeavouring to supplant their Legislatures—that legislation which cannot be passed in their Parliaments is to be imposed upon them by the action of the Federal Parliament.

Mr. McDONALD.—Legislation relating, for instance, to conciliation and arbitration.

Mr. KNOX.—Some of the States do not approve of legislation of that class.

Mr. THOMAS.—To what States does the honorable member refer?

Mr. KNOX.—There is Victoria, for example.

Mr. THOMAS.—How does the honorable member reconcile that statement with the fact that at the Senate elections, an enormous vote was cast for Senator Trenwith and Senator Findley, who both support the principle?

Mr. KNOX.—The vote cast for Senator Trenwith was a very pronounced one. He has always been a moderate man in Victorian politics, and the public regarded him as one who had been subjected to great persecution. The high position which he occupied on the poll is an indication that the people have a feeling of sympathy for one who has always been moderate, and has been guided in all that he has done by a regard for what he believes to be right.

Mr. McDONALD.—Yet the honorable member would have put him out if he could.

Mr. KNOX.—I regret that the Labour Party have accepted the designation of socialists, bestowed upon them by an interjector. I do not know how many of the members of the party subscribe to the doctrines of Owen, Marx, and other socialists; but if they all do, it is likely to be a very serious thing for the Commonwealth. Of course, no man can stand up in this Chamber and declare himself opposed to all forms of socialism, without contradicting past speeches and votes, either here or in a State Legislature. It is the destructive, revolutionary element in socialism that must be resisted.

Mr. O'MALLEY.—Does not socialism mean the destruction of competition?

Mr. KNOX.—When competition is destroyed, all incentive to improvement and ambition is taken away.

Mr. TUDOR.—The Commonwealth tobacco monopoly aims at the destruction of competition.

Mr. KNOX.—It will be a bad thing for the community when we are all upon a dead level of equality. We hear of Christian socialism; but, with all due reverence, I wish to say that our Redeemer, although consistently the friend of the poor and the suffering, showed by his example and teaching the ineffectiveness of laws for improving the whole mass of the community, and that it is only by stimulating the individual heart, and making better the individual life, that the condition of the people as a whole can be elevated. To reduce the whole community to one unambitious level is a state of things I regard as prejudicial.

Mr. WATKINS.—That is not the aim of the Labour Party.

Mr. KNOX.—No demur was made by any member of the party to the statement by way of interjection that they are a body of socialists.

Mr. THOMAS.—The members of the Labour Party are a socialistic body.

Mr. KNOX.—I did not believe that all the members of the party are socialists.

Mr. THOMAS.—The King of England has said that we are all socialists nowadays.

Mr. KNOX.—The honorable member for Barrier is, I suppose, authorized to speak for his party. When I refer to socialism, I mean the doctrines promulgated by men like Owen and Marx.

Mr. WATKINS.—Those men are communists.

Mr. KNOX.—No; communism goes even further. I would not suggest that there is a pure communist in this Chamber.

Mr. SPENCE.—The socialism of which the honorable member speaks is not the Labour Party's brand.

Mr. KNOX.—Then I should like to know what their brand is. We ought now to come to practical business, and I am endeavouring to do practical work in trying to get honorable members to define their positions.

Mr. WATSON.—What is the honorable gentleman's position?

Mr. KNOX.—I shall go hand in hand with any party that desires to improve the position of the worker.

Mr. THOMAS.—That is socialism.

Mr. KNOX.—It is not destructive socialism. I shall support all legislation

which has for its aim the securing to the worker of the interests and rewards which the industry in which he is engaged should give him. I have been consistent in my attitude on this question, in both private and public life, as I think an inquiry into the management of the concerns with which I have been identified will show.

Mr. PAGE.—The honorable member is a good type of the boodler.

Mr. KNOX.—I am sorry that my honorable friend has introduced here an expression used by the gutter press of Australia, though I know that it slipped out of his mouth. Expressions like that require explanation, so that we may know what they properly mean.

Mr. G. B. EDWARDS.—Socialism is another expression which requires definition.

Mr. KNOX.—My honorable friend understands what socialism is, and what destructive and revolutionary socialism is.

Mr. G. B. EDWARDS.—I know of about ten varieties of socialism.

Mr. KNOX.—Socialism has engaged the attention of men like John Stuart Mill and others of the highest and best minds of the world. There are three parties in this Chamber—the Ministerial, the Opposition, and the Labour Party—which are practically equal in numbers. Honorable members must, therefore, see that some new line of demarcation is necessary. The fiscal issue can no longer divide us, because that is dead. To carry on the business of the country in a constitutional way, we require a new and definite line of demarcation between those who have come here to carry out a platform to which they have had to subscribe—

Mr. WATSON.—To which we have voluntarily subscribed.

Mr. KNOX.—Honorable members of the Labour Party have come here with directions as to what they must do.

Mr. WATSON.—We have pledged ourselves to a platform, and I suppose the honorable member has done the same.

Mr. KNOX.—I was returned as an independent member.

Mr. WATSON.—With a platform.

Mr. KNOX.—With a definite platform.

Mr. WATSON.—That is precisely our position.

Mr. KNOX.—No doubt our promises to our constituents are as binding upon us as the pledge which they have signed is binding upon the members of the Labour Party.

We, however, are free to vote for legislation in the interests of the community as a whole, as opposed to the interests of a section of the community.

Mr. O'MALLEY.—The members of the Labour Party represent 85 per cent. of the electors of Australia.

Mr. KNOX.—That statement is not correct, though no doubt the members of the Labour Party represent a great bulk of the electors. They have been sent here, however, with definite directions as to the policy which they shall follow, and the line of demarcation I speak of should divide those who come here free to look to the interests of the whole community and those who are pledged to regard only a section of the community.

Mr. WATSON.—Our objection to the honorable member is that he is here to look after the interests of a class.

Mr. KNOX.—I am here to vote for whatever I consider best in the interests of the whole community, without direction or dictation from any section of it. I am not a delegate, but a representative.

Mr. WATSON.—The classes know that they can rely upon the honorable member.

Mr. KNOX.—I did not intend to speak more than a quarter of an hour, and I am greatly indebted to honorable gentlemen for the attention they have given to my somewhat lengthy remarks. I think that there should be a combination amongst honorable members for the purpose of carrying on the government of the country in a constitutional and business-like way, and that might be brought about by negotiations. I know nothing of any combination; but I think it would be better to bring about a union, under present conditions, than to wait for chaos, and then to effect a coalition under stress of weather. I trust that a sufficient number of members will be found to adopt a national policy, and work for the good of the whole of the Commonwealth, under an Australian banner bearing the motto—"For all the people of the Commonwealth, and not for any section."

Mr. BAMFORD (Herbert).—So much has been said during this debate, and I might add, so well said, that it is very difficult for any one speaking at this stage to say anything of a novel character. It appears to me, however, that some of the questions to which honorable members have addressed themselves may be presented in an aspect different from that in which they have hitherto been exhibited. Before discussing the matters referred to in the

Governor-General's Speech, I desire to refer to the kanaka question. To a North Queenslander the kanaka question is very much in the position of King Charles' head to the late lamented Mr. Dick. A few days ago, I asked the Prime Minister a series of questions with regard to the arrangements for the conveyance of time-expired islanders to their homes. He said that the matter was one for the Queensland Government to attend to, and that, so far, he had heard no complaints as to any of the islanders having been unable to leave. I may tell the Prime Minister that he is not likely to hear any complaints. I admit that upon this question the present Government in Queensland is much more sympathetic than its immediate predecessor, and that it may adopt an attitude different from that previously assumed by the authorities. At the same time, I am afraid that the matter does not altogether rest with the Government, because there are officers who are specially appointed to attend to the requirements of those islanders who desire to return to their homes. I am very sorry to say that many people, who ought to be ashamed of themselves for doing so, have been in the habit of trying to beguile the simple islanders by misrepresentations. When an islander's first term of service has expired, at the end of three years, every effort is made to persuade him to sign an agreement for another six months, or for a longer period, if possible, and, among other things, he is told that there is no ship ready to take him back to his home. Of course, in these cases, the islanders are not able to speak very good English, and are practically at the mercy of those who desire to keep them in the State. I am credibly informed that in many cases the Government agent, who, above all others, should protect the interests of the islanders, helps to delude them, by representing that there is no boat ready to return them to their homes. When I was last in Northern Queensland I met an islander who had been fifteen years in the State. He had with him his daughter, twelve years of age, who had been born in Queensland, and he told me that he was most anxious to go back to his own people and take with him his daughter, so that she might be made acquainted with her relatives. He had then been trying for three months to obtain a permit to enable him to go to some other port, and there wait for a ship to take him away. Several other boys were with him, and I

Mr. Bamford.

was informed that they had completed their agreements, and were at that very time being induced to sign another agreement to work on the plantations for a further six months, or a longer term. Whilst indentured boys are waiting for a ship to take them back, they have to be kept by their late employers, who have to find them in rations and house room. Those who accept re-engagements, however, have, upon the expiration of their service, to keep themselves. In either case the money which is paid over to the islander at the expiration of his term dwindles away during the period of waiting. It is the ambition of every islander to take back with him a certain amount of trade, and if, through the depletion of his resources, he finds himself unable to do this, he generally signs a further agreement. If what I have described occurred when ships were leaving, with tolerable frequency, during at least nine months of the year, how much more is it likely to happen now that no ships are leaving for the Islands to bring back recruits? The Prime Minister said that the matter was one for the consideration of the State Government, but I contend that a great responsibility rests upon this Parliament. We have stopped recruiting, and have thereby reduced the number of ships available to take these islanders back to their homes. Therefore, it is our duty to see that those who desire to go back—and the kanakas do in the great majority of cases so desire—shall have the means of doing so placed at their disposal. I hope that the Prime Minister will take this matter into his earnest consideration. If the islanders have been deluded in the past there is no reason why they should not have fair play in the future. I make these representations in their interests. For many years the employers have had the big end of the stick, and have dominated the position and I think it is our duty to see that the islanders have fair play, so far as we can assure it. This is a question which, as a member of the Labour Party, and as a representative of Queensland, I should not desire to bring forward, if it could be avoided. We regard the whole of the legislation passed by the State Legislature in regard to the introduction of islanders to work on sugar plantations with regret, and we should be only too pleased to wash our hands of the whole business. The matter to which I have referred is, however, a very important one, and deserves

our earnest attention. In isolated instances the Government agents may have done their duty, but in a great many cases they have played into the hands of the planters. I had intended to refer to the interjection made by the honorable member for Parramatta, with regard to the assistance given to the members of the Labour Party by the Government at the last election, but I think that the matter has already been sufficiently dealt with. There was no help given to me, or to any other member of our party, so far as I am aware. The Prime Minister himself appeared upon the public platform in Victoria to help one candidate who was opposing a member of the Labour Party. I do not find any fault with his action upon that occasion, because Ministers were at perfect liberty to help their own supporters. I object, however, to the statements that they have given any assistance to members of the Labour Party. I am one of those who have serious complaints to make regarding the administration of the Electoral Act. Speaking from my experience in my own electorate, I can confidently assert that the Act was maladministered in the grossest possible way. I reported several glaring breaches of the Act to the returning officer, but upon my arrival in Melbourne I found that the Chief Electoral Officer knew nothing about any such reports. It has been stated that in Victoria and New South Wales numbers corresponding with those on the roll were written upon the face of the ballot-papers, and that the corners of the papers were then turned down. In one place in my electorate I lost a large number of votes owing to this practice. In that particular instance, the presiding officer did not even have the decency to turn down the corner of the paper. He wrote the number on the face of the ballot-paper, and thereby robbed the ballot of its secrecy. In the State electorate of Herbert, the presiding officer, in violation of the Act, declared at each polling place the number of votes recorded there. At one place, owing to influences which I deplore, only nine votes were recorded, and they were all given against me. That, of course, showed that the electors who voted had no judgment. I took the precaution to go to that place beforehand and tell every one who had a vote that the ballot was absolutely secret. During the passage of the Electoral Bill through the House, references were made to the practices indulged in in various States, with a view to ascertain how the votes of the electors were cast, and my

electorate was no exception to the rule in that regard. I told the electors at the place referred to that they need not fear that their votes would be disclosed, because the voting papers would be taken to the principal polling place and there mixed with others before the count in such a way that they would become unidentifiable. What will those people now think of me? The previous practice was so contrary to that which I described that possibly they thought I was lying to them, and results would appear to justify their belief. I ask the Minister for Home Affairs what is to be done in reference to these matters. Are the electoral officials to be permitted to flout the Act as they please? When the Bill was under discussion every precaution possible was taken by honorable members to make the ballot absolutely secret. Now we find that, owing to the stupidity, or something worse, of the presiding officers, or of some one else, the secrecy of the ballot has been violated. I think that some action ought to be taken in reference to this matter. I do not blame the Chief Electoral Officer. Nevertheless, this action is all of a piece with the maladministration of which so much complaint has been made during the course of this debate. I should like to say a few words upon the subject of the Federal Capital. Members of the Opposition have discussed this question at great length, but I have no hesitation in affirming that if the Sydney newspapers would abstain from saying anything about it for one month, it would be absolutely dead.

MR. DUGALD THOMSON.—No.

MR. BAMFORD.—I live in Sydney, and I am aware that the question is destitute of all life beyond that which is put into it by the Sydney press. The great majority of the people do not care anything about it. Some, of course, would like it to be speedily settled, because they imagine that it would provide plenty of work. I would remind honorable members that, upon the 30th September, 1902, a vote was recorded in this House upon a proposal by the Treasurer to borrow £500,000. The leading members of the Opposition voted against that proposal upon principle, and I commend them for it.

MR. DUGALD THOMSON.—There is another principle to which regard should be paid, namely, that undertakings should be fulfilled.

Mr. BAMFORD.—I quite agree with the honorable member that obligations should be fulfilled. But where, I ask, is the need for hurry in the settlement of this question. I will undertake to say that if the Federal Capital site were selected to-morrow the Treasurer has not a ten-pound note to spend upon it. Where is the money to come from with which to build the capital?

Mr. JOHNSON.—Does the honorable member desire the Parliament to meet in Melbourne for ever?

Mr. BAMFORD.—I do not. I am merely putting the practical difficulties of the situation before the House. If the Treasurer had the temerity to submit a Loan Bill, which was certainly not designed to raise money to carry out a reproductive work, would any honorable member support him, especially at a time when our securities are lower than they have ever been in the history of Australia.

Mr. WATKINS.—We have handed back to the States £1,500,000 more than we had a right to return them under the Constitution.

Mr. BAMFORD.—There is no State which stands more in need of the money which has been returned to her in excess of the three-fourths of her Customs revenue to which she is entitled, than New South Wales. With the exception of Western Australia, all the States are in necessitous circumstances. I am satisfied that great friction would be caused if the Treasurer attempted to retain the whole of the 75 per cent. of the Customs revenue to which the States are entitled, and to devote the balance to the building of a Federal Capital.

Mr. LIDDELL.—Should we not get a tangible asset in the shape of the territory which we acquired?

Mr. BAMFORD.—To a certain extent we should; but it would be a long time before we could realize upon that asset.

Mr. O'MALLEY.—Could we not go to Uncle Moses?

Mr. BAMFORD.—We have no desire to go to Uncle Moses, unless for absolutely reproductive works. Nobody can contend that the building of a Federal Capital would come within that category. The question of the conditions which have been embodied in the contracts for our new mail service has been discussed at some length. Personally I agree with the honorable and learned member for Corio that the questions of the carriage of mails and of the conveyance of frozen rabbits to England

should have been kept entirely separate. The honorable member for Kooyong has accused members of the Labour Party of being socialists. We consider it an honour to be regarded as such. But I would ask that honorable member, who finds fault with us on the ground that we are socialists, why he recommends what is purely a socialistic doctrine? He asks that our mail boats should carry butter, fruit, and rabbits in refrigerating chambers, and that they should be subsidized by the Government. I hold that the two questions should be kept quite separate. If ever there was scope for private enterprise, surely it is in connexion with the carriage of perishable produce. The trouble which has fallen upon the Postmaster-General in failing to secure satisfactory tenders for the conveyance of our mails is not due to section 16 of the Post and Telegraph Act, but is entirely the result of the other conditions which have been inserted in the contracts. I was very sorry to find another matter that I regarded as dead galvanized into life during the course of this debate. I refer to the matter of the fodder duties. During some portion of 1902 the statement was made in this House that there were 20,000,000 of starving sheep in New South Wales. I leave out of consideration the number of cattle and horses, and propose to divide the number in question by two.

Mr. FULLER.—Our flocks in New South Wales were reduced from 60,000,000 to 20,000,000 odd.

Mr. BAMFORD.—I am quite prepared to accept the honorable and learned member's statement, but for purposes of calculation I wish to put the number down at 10,000,000. Assuming that each of these required 10 lbs. of fodder per week, that would represent a consumption of 100,000,000 lbs., or a little less than 50,000 tons. To bring that quantity of fodder from New Zealand, which was the only place from which it could be obtained at the time—

Mr. FULLER.—Much of it came from the Argentine.

Mr. BAMFORD.—It would require ten ships of the tonnage of the *Orontes* to bring that fodder to New South Wales, assuming that the vessels could complete the trip once a fortnight. Could New South Wales have afforded that? I say that she could not. It would have been utterly impossible, even had the fodder duties been suspended, to alleviate the existent distress. That 50,000 tons of fodder at

£4 per ton—and I believe that a great quantity of it realized more than double that price in Sydney—would mean an expenditure of £200,000 a week, or over £10,000,000 within twelve months. How could the people of New South Wales have provided that money? Honorable members should also bear in mind that in my calculation I have simply allowed for the fodder being landed upon the wharfs at Sydney. I wish now to address myself for a few moments to the remarks of the honorable and learned member for Parkes, who never appears to such advantage as when he is delivering a homily to members of the Labour Party. We all acknowledge his lucidity, his ability, his courtesy, and the manner in which he treats his subject; but we differ from him in his deductions from facts. In speaking of the Labour Party, he declared that its members are socialists, and that they are ruining the Commonwealth—that the policy which we are striving to thrust upon the community is destroying the public credit. He also remarked that we had not read history, otherwise we should not take up the position that we do. I say that we are students of history, and that it is the events of the past which have forced us, willy-nilly, to adopt the policy we have. Individualism has been the curse of the world, and it is time that the system was altered. The honorable member for Kooyong says that we desire to bring down every one to a dead level. But, in this connexion, I would invite honorable members for a few moments to look at the position of Tasmania. That is a country where individualism has always been rampant, and I am perfectly certain that if the honorable member had his way, that state of things would continue. Until within a few months ago, no labour member had ever entered a Parliament as a representative of Tasmania. What is the position of that State to-day? It possesses a good deal of cultivable land, and enjoys a magnificent climate and fertile soil, but we find that, to use a colloquialism, it is as much "up to its neck in debt" as any of the other States. I am informed that the State Government of Tasmania closed the last financial year with a deficit of £30,000, while the financial operations of the previous year showed a deficiency of £176,000.

Mr. CAMERON.—What about Queensland?

Mr. BAMFORD.—We have had an individualistic policy there.

Mr. WATSON.—Tempered by banking legislation.

Mr. BAMFORD.—Quite so. In Queensland, as elsewhere, we suffered from the banking crisis of 1893. I wish honorable members to now turn their attention to another country in the same latitude, but possessing certainly a much larger area than that of Tasmania. In the matter of soil and climate, however, it enjoys no advantage over that State. I refer to New Zealand. In the one case the rule of the individualists is supreme, while in the other there is more socialism to the square yard than is to be found in any other country.

Mr. O'MALLEY.—In the days of individualism New Zealand was nearly bankrupt.

Mr. BAMFORD.—Quite so. In 1892 its position was as bad as is the position of Tasmania to-day. If the honorable and learned member for Parkes were to read the history of the lands of the Southern Hemisphere as he does that of other lands, I am satisfied that he would arrive at the conclusion that the socialistic régime in New Zealand is vastly superior to the system which exists in Tasmania, and of which he approves.

Mr. JOHNSON.—Tasmania is doing splendidly just now.

Mr. BAMFORD.—Yes; there are now three labour representatives in the Parliament of that State. I have a few figures here from the "Politician's Bible"—

Mr. O'MALLEY.—The honorable member refers to the *Bulletin*.

Mr. BAMFORD.—No; that is the "Democrats' Bible." I refer to *Coghlan*. I desire to bring under the notice of honorable members some figures relative to the rate of interest earned by the railway systems of Tasmania and New Zealand. On page 344 of *Coghlan*, a table is given showing the interest returned on capital expenditure for a period of five years, and an examination of that table will show that the highest rate of interest paid by the Tasmanian railways during the period in question was 1.56 per cent.; whilst the lowest paid by the New Zealand railway system during the same period was 3.29 per cent. A similar state of affairs exists in relation to other matters. The people of Tasmania have no old-age pension system, such as exists in New Zealand, but they pay 5s. 9d. per head towards the alleviation of distress; whereas in New Zealand, in addition to a system of

old-age pensions, the people pay 9s. 10d. per head towards this object.

Mr. LONSDALE.—That shows that very little distress exists in Tasmania.

Mr. O'MALLEY.—There are thousands of persons destitute there.

Mr. BAMFORD.—In answer to the honorable member for New England, I would say that if Tasmania is so prosperous as he would have us believe, why is it that her population is continually decreasing?

Mr. LONSDALE.—It has been increasing in population.

Mr. BAMFORD.—*Coghlan* deals with the population statistics for a period of seventeen years, and shows that, while there was a small excess of arrivals over departures during a period of eight years, there was an excess of departures over arrivals during the remaining period of nine years. In 1902 there was an excess of departures over arrivals in Tasmania, whereas in New Zealand the excess of arrivals over departures was nearly 8,000.

Mr. LONSDALE.—Are the two States to be compared physically?

Mr. BAMFORD.—The physical conditions of both countries are almost identical.

Mr. CAMERON.—What about the area?

Mr. BAMFORD.—I allowed for the difference in the area of the respective States. Tasmania has about 16,000 square miles, while the area of New Zealand is 64,000 square miles, and in the figures with which I had intended to delight the House I had worked out the difference. But wherever the statistics given are per head of the population the question of area is not affected, and these figures show that New Zealand is far ahead of Tasmania. Let me take, for example, the dairying industry. *Coghlan* gives us some interesting figures relating to the output of butter, milk, and cheese. He shows that the Tasmanian output of these commodities for 1902 was of the estimated value of £446,000, whereas that of New Zealand was of the value of £2,608,000. Allowing for the difference in area, and therefore dividing the £2,608,000 by four, we find how far Tasmania lags behind New Zealand.

Mr. CAMERON.—The honorable member knows perfectly well that Tasmania has but a very limited extent of good land.

Mr. BAMFORD.—The same remark applies to New Zealand, a great deal of whose territory is periodically disturbed by an

earthquake. Nothing could be more indicative of the relative position of the two countries than are the figures relating to education, and I find that whilst Tasmania expends £58,318 on the administration and maintenance of its education system, New Zealand expends £494,621.

Mr. CAMERON.—What are their respective revenues?

Mr. BAMFORD.—That is the question. I am endeavouring to show that if Tasmania were governed under laws similar to those which prevail in New Zealand, it would be more prosperous. If the honorable member looks at the figures he will arrive at the conclusion to which I have come, that under the two differing systems of legislation—

Mr. CAMERON.—The honorable member should compare Tasmania with Queensland, where there are socialistic principles in force.

Mr. BAMFORD.—We have not the socialism that I should like to see there; but it is coming fast, and I am glad to know that this remark applies also to Tasmania, which has returned a rabid socialist to this Parliament.

Mr. CAMERON.—By forty-eight votes.

Mr. BAMFORD.—I am sure that the honorable member was very pleased to obtain that majority. Nothing can be said in favour of individualism as against socialism. The honorable and learned member for Parkes is certainly a student of history. He speaks of the astigmatic vision of the Labour Party, a remark that I think should be applied to his own, and I would commend these matters to his consideration. Another question to which the honorable and learned member referred was that of conciliation and arbitration. He spoke of the Moseley Commission, consisting of twenty-six working men, which left Great Britain for the United States in order to compare the industrial life of the two countries. The honorable and learned member said that the members of that Commission returned from the United States of America firm in the resolve to have nothing to do with the principle of conciliation. As a matter of fact, there is no system of conciliation and arbitration in operation in the United States of America. Why, therefore, should the honorable and learned member, in his effort to make the best of a bad case, introduce such a suggestion? There was no principle of conciliation and arbitration in the United States of America; consequently the Moseley Commission could not have been impressed by

anything that they saw there which had a bearing upon the subject. Reference was also made by the honorable and learned member to the withdrawal of money from Australia. Some persons are always complaining that capital is being withdrawn from the States, but they rarely, if ever, get down to actual facts. The honorable and learned member for Parkes, however, gave us one concrete case, and asserted that one institution—the Scottish Widows—had instructed its manager to withdraw, within a period of twelve months, some £2,000,000 which it had invested in Australia, and to send it to some other place in which 4 per cent. could be obtained. *Coghlan* shows, however, that all the money invested in Australia has paid an average of 4 per cent.

Mr. CAMERON.—The Scottish Widows were not so sure of their security here.

Mr. BAMFORD.—But the money in question was not directly invested by this institution in any industry. The manager was simply making a profit by lending the money to some one else to invest. Statements such as these with regard to the withdrawal of capital from Australia require something in the way of detail to establish their credibility. I suppose I may be permitted to say a few words upon the subject of preferential trade.

Mr. McDONALD.—Is that a new subject?

Mr. BAMFORD.—It is with me. During the electoral campaign I was asked now and again, usually by some person the worse for liquor, what I thought of preferential trade, and I replied that later on I would give an opinion about it. I am sorry that the subject has been referred to in the Governor-General's Speech. At the present stage it is an academic question rather than one of practical interest. It is in the clouds. There is no need to discuss it during the lifetime of this Parliament, at any rate. When the English people have made up their minds as to what they require, and ask us to come to terms, it will be time enough to consider the matter. Until then it will be only a waste of time to discuss it. Connected with it is, of course, the question of free-trade or protection. During the very able address delivered by the honorable member for Richmond a few nights ago, some one interjected that we have no such thing as free-trade. I quite admit the truth of that remark. It was also stated that we have no such thing as protection. That is also true. The Common-

wealth Tariff is the result of the conflict between two parties holding opposite fiscal views. But while the protectionist is not afraid of his policy, the free-trader is afraid of free-trade. I am not speaking now as a protectionist.

Mr. JOSEPH COOK.—Is the honorable member still a fiscal atheist?

Mr. BAMFORD.—Yes. Protectionists will ask for all the protection they can get, and still hold out their hands for more; but free-traders will not accept free-trade at any price; they would not touch it with a long stick. I could count upon the fingers of one hand the members of the Opposition who are willing to adopt the policy of free-trade. I am not rabid upon the fiscal question. If honorable members opposite will give us a free-trade policy—if they will say, "We will abolish customs houses altogether," I will go with them. If they say, "We will give you the English Tariff," I will go with them. But I will have nothing to do with the fiscal faking which takes 5 per cent. off one article, puts 6 per cent. upon another, and calls itself free-trade. We all admit that the Commonwealth must raise a large amount of revenue, and if honorable members opposite will show that they have the courage of their convictions, by proposing a policy of taxation similar to that of Great Britain, I will join their ranks. But if their leaders proposed such a policy, how soon their ranks would be decimated! Where should we find the honorable members for Koo-yong, Grampians, and Wentworth?

Mr. JOSEPH COOK.—Locked in the honorable member's arms.

Mr. BAMFORD.—Not at all. They would have nothing to do with the direct taxation which would be necessary if the English Tariff were adopted. Then, as they are afraid to adopt a free-trade policy, what is the use of coming here and talking about it *ad nauseam*.

Mr. McDONALD.—How much direct taxation will the Government give us?

Mr. BAMFORD.—The Government have not the courage of their convictions any more than the free-traders have. I am a candid friend upon this occasion. A great deal has been said during the debate about the third party. The honorable member for Maranoa has taken exception to the term, because he says we should be called the first party, a sentiment I thoroughly indorse. The position of parties in this Chamber might be represented by an

equilateral triangle, or, to be nice, by an isosceles triangle, the two sides being equal, and each a little longer than the base. But what the third party lacks in numbers it gains in coherence.

Mr. O'MALLEY.—And in intelligence.

Mr. BAMFORD.—If the honorable members of the Ministerial and Opposition parties think that the present position should not continue, why do they allow it to do so? If the members of the Labour Party were using influence to prevent a coalition between the two other parties, they might have reason for complaint, but we are standing severely aloof.

Mr. CAMERON.—The Labour Party is shoving the other side with all its force.

Mr. BAMFORD.—We are not using any force at all yet.

Mr. JOSEPH COOK.—The members of the Labour Party are like the Innocents Abroad.

Mr. BAMFORD.—Though we may be innocents, we are not very much abroad. If the two other parties wish to have two parallel lines instead of a triangle, the members of the Labour Party are quite willing to make one line, and to take their seats upon the Opposition benches. I am afraid that the time has not yet arrived when we can keep the Ministerial benches warm. Reference has been made in the debate to the administration of the Defence Department. The honorable member for Maranoa, in his usual terse and bellicose style, and the honorable and learned member for Werriwa, have addressed themselves to the regulations which have been published. One can only wonder that a gentleman in the position of the General Officer Commanding, and so able a statesman as the Minister for Defence, should waste their time in framing such regulations. Some of those who have spoken during the debate have severely criticised the action of the Labour Party in voting for the reduction of the Defence expenditure. In my opinion, it is a good thing that the Estimates were cut down. I agree with those who think that a change should be made in the administration of that Department to meet the undoubted wish of this House. No honorable member likes to see money wasted upon frill and tomfoolery, upon which a great deal has been expended in the past. I believe that the Minister for Defence has been at heart, and that he is as minister as we have so far had;

at any rate, he devotes himself to his duties most attentively. I deprecate, however, the manner in which the citizen forces and the rifle clubs have been treated. In my electorate the members of rifle clubs are expected, not only to buy their own rifles, but even to furnish their own ranges. Such a thing is monstrous, and must lead to the disbandment of many clubs which have been a long time in existence, and have done good service. With regard to the treatment given to officers, I should like to read the following paragraph which appeared in the *Sydney Daily Telegraph* some time ago:—

ONE MAN ONE COOK.

The importance of the commissariat branch in the military service is well recognised, but the Arbitration Court yesterday was struck with surprise when a cook related how on the occasion of a recent encampment a mess of five officers had a culinary staff of five to attend to their inner wants. Asked by way of preliminary what remuneration he had received while in camp, the witness blandly replied, "Seven bob a day." "But you had assistance," continued counsel. "Oh, yes," was the answer, "four artillerymen helped me." "What?" gasped the astonished barrister, "five persons to cook for five other persons! Do I understand you to say that?" "That's right," was the reply, "but they were officers, and they often entertain their lady friends with afternoon tea."

That sort of thing brings ridicule upon the Defence Forces.

Sir JOHN FORREST.—No.

Mr. BAMFORD.—Perhaps when the right honorable gentleman occupied the high and honorable position of Minister for Defence he indulged in these little luxuries, and therefore sympathizes with others. The general public, however, do not like it.

Sir JOHN FORREST.—They do not mind it. They go to these camps.

Mr. BAMFORD.—They mind it very much. This sort of thing brings the Defence Forces into ridicule and contempt.

Sir JOHN FORREST.—Not into contempt.

Mr. BAMFORD.—No doubt the matter is to the right honorable gentleman second in importance only to the Western Australian railway. The *Daily Telegraph* has a very wide circulation, as the members of the Opposition will testify.

Mr. JOSEPH COOK.—It is a very accurate newspaper.

Mr. BAMFORD.—I do not vouch for its accuracy. When addressing himself to the question of finance, the honorable member for Kooyong ridiculed the proposition of the honorable and learned member for Corio. Now, the honorable member for Kooyong, though a financial magnate, may

not be a financial expert. Gentlemen who have the handling of a great deal of money are not always the very highest authorities upon finance; and it appears to me that the scheme propounded by the honorable and learned member for Corio is a very sensible one, and worthy of careful consideration. The Labour Party will discuss the subject *in extenso* before the session is brought to an end, and we shall take the earliest opportunity of presenting our views to the House. The only hope for the representatives of New South Wales who desire to see the Federal Capital established is to place the Labour Party upon the Ministerial benches. We shall then be able to demonstrate how the Federal Capital can be established without involving the necessity of burdening the people of the Commonwealth with one shilling of extra taxation. We have a practicable scheme which will commend itself to even the honorable member for Parramatta, who is so hypercritical in these matters. I agree with the honorable member for Capricornia that short speeches should be the rule upon an occasion of this kind, and I hope that I have not transgressed the limits of endurance. When fully 75 per cent. of the representatives in the House have spoken, one naturally feels a desire to unburden himself, and hence I was prompted to address the House. In conclusion, I would again express the hope that the Prime Minister will give his serious consideration to the kanaka question, to which I directed his attention in the early part of my speech.

Mr. THOMAS (Barrier).—In view of the large number of honorable members who have spoken and the time that has already been occupied by the debate, I shall endeavour to curtail my remarks. I presume that the last general election is a subject of interest to all honorable members, and I am quite with the leader of the Opposition and the leader of the Labour Party in asking that there shall be a full inquiry into the administration of the Electoral Act. I do not support this request in any spirit of antagonism to the Government, or in any spirit of personal animosity to the Chief Electoral Officer. I do not ask for an execution, but simply for an inquiry. I think that there was a great deal of blundering in connexion with the elections. The Minister for Home Affairs holds the idea that those who succeeded at the elections should be content to allow matters to rest, but I do not exactly share that view. For example, in my

electorate the returning officer, who was a thoroughly capable and experienced man, had always been consulted previously as to where polling booths should be provided, but on the last occasion a list was forwarded to him from Sydney, and he was instructed to arrange for booths at the places therein named. I saw that no booths had been provided for at one or two places where a large number of electors resided. I pointed this out to the returning officer, who quite agreed with me, and wired to Sydney pointing out the desirability of having polling booths at the places referred to, and also representing that a booth would not be required at one of the localities mentioned in the list, because, since the previous election, all the former residents had left, and only one man, a caretaker, remained. A reply was received that it was impossible to provide the additional polling places suggested, and that the polling booth which the returning officer considered unnecessary would have to be arranged for, because it had been gazetted.

Sir JOHN FORREST.—Was there a roll for that one person?

Mr. THOMAS.—I suppose so. There might have been more names upon the roll at one time, but, as a matter of fact, the place was deserted. It was found afterwards that even the caretaker had left, and that there was absolutely no one in the locality to vote. There was not a house of any kind, or even a tent, that could be used as a polling booth, and it was suggested that a carpenter should be sent out to erect a booth. The returning officer, however, felt that that would involve unnecessary expense, and it was eventually arranged that the presiding officer and the poll clerk should take out with them a hooded buggy, and that that should be used as a polling booth. These two men were sent forty or fifty miles from the centre of population to a place at which there were no voters, and they had to spend the day in idleness. The only vote recorded was that of either the poll clerk or the presiding officer. Two or three places at which there had previously been polling booths were omitted from the list furnished by the electoral authorities, and the consequence was that 200 or 300 persons in the back-blocks were unable to record their votes. In one case, that of a station at which from twenty-five to thirty men were employed, no votes could be recorded, because the polling booth

previously arranged for was not provided on this occasion. If it be the settled policy of the Government to erect polling booths where there are no people, and to make no provision in places where there are residents, I do not think that it will be fair to find fault with the electors for not recording their votes. In order to save expense, the Electoral Department borrowed ballot-boxes from the State Government. Some of these had to be altered, and were sent for a distance of 120 miles to Broken Hill for that purpose. There were a number of carpenters at the place from which the boxes were sent, and it is reasonable to suppose that one or other of these men might have done all that was required, and thus have saved the expense of conveying the boxes to and fro by mail coach. In another case half-a-dozen additional boxes were required, and instead of having them made locally, the officials in Sydney sent them right through from that city by rail to Broken Hill. Whilst these matters may appear trivial, they tend to show that there was a great deal of blundering, and that it involved unnecessary expense, and caused great inconvenience. Further, a great deal of carelessness was exhibited in connexion with the rolls, and it is only right that a careful inquiry should be made in order that the blame may be laid upon the right shoulders. Some of the fault may lie with the Act itself. If so, the law should be altered. If the fault rests with the Chief Electoral Officer, that gentleman should be dismissed, or, if the blame attaches to his subordinates, an opportunity should be taken to appoint a better staff. I think that it is due to the Chief Electoral Officer, regarding whom much has been said, that an inquiry should be held. Personally, I have nothing against that gentleman. I have come into contact with him only four or five times, and on each of these occasions I have been able to obtain what I wanted. I am pleased to notice, from the Governor-General's Speech, that no acceptable tender was received for carrying on the mail service by steamers manned only by white labour, because I am opposed to such subsidies as have hitherto been given to the Orient and P. and O. Companies. I understand that, under the old agreement, which was in operation for six or seven years, we joined the Imperial Government in paying the companies mentioned £170,000 per annum. To this amount we contributed £75,000, whilst the Imperial Government made up the balance. These subsidies were given with

Mr. Thomas.

four distinct objects. The policy of the Imperial Government, which, I presume, we followed so far as the mail subsidy was concerned, was to subsidize mail steamers first, for the carrying of the mails; secondly, in order to assist the shipbuilding industry; thirdly, to provide swift armed cruisers; and fourthly, to maintain the supremacy of British commerce. I take it that we are all in accord with these objects, but I hold that it is unfair to charge the Post Office with the whole of the expense entailed in achieving them. I understand that formerly the Imperial Post Office Department was not charged with the whole of the subsidy, but that the Admiralty had to contribute a large proportion of it. That, I think, was only fair. The Post Office should be charged only with the proportion given to the companies for the carriage of the mails. Money contributed with other objects in view should be debited to other departments. Our policy has been to provide not only for the carriage of our mails, but also for refrigerating space for the transport of perishable produce. I do not object to that, but I do not think that the whole cost should be borne by the Post Office. It it be desired to encourage the shipbuilding industry, a Shipbuilding Bonus Bill should be introduced; if we wish to help the Imperial Government to maintain armed cruisers, our naval vote should be debited with a proportionate share of the subsidy, and if we decide to join in maintaining the supremacy of British commerce, the Customs Department should bear a share of the burden. If we desire to assist the export of produce to England, I think that a share of the subsidy should be borne by the Department of Agriculture. Personally, I am strongly in favour of the system of poundage rates being applied to the carriage of our mails. I think that the adoption of that system would insure a swifter delivery of our letters, and would provide us with a service as regular as that which has hitherto obtained. It must be borne in mind that, whilst we are paying excessive subsidies, we do not obtain the advantage of as speedy a delivery of our mails as we ought to receive. Neither the P. and O., nor the Orient vessels would experience the least difficulty in landing their letters in Adelaide at least a week earlier than they do.

Mr. JOSEPH COOK.—We do not want a swift service so much as a regular one.

Mr. THOMAS.—But we want a speedy service combined with regularity.

The fact that the mail steamers do not deliver their letters as quickly as they might can very easily be demonstrated. Honorable members will recollect that, except upon one or two occasions, the *Cusco*, which has practically become obsolete, was always able to land her mails within the contract time. It is, therefore, apparent that vessels of the class of the *Oromes* and *Mongolia* could deliver their mails much more quickly; but of course it does not pay them to do so. They are subsidized, I believe, to the extent of about £3,000 per round trip. To accomplish the voyage sooner they would necessarily require to consume a greater quantity of coal. Consequently, there is no inducement to the companies to deliver our mails earlier. If the Commonwealth arranges to pay poundage rates for the carriage of its letters, a great saving will be effected. I understand that a charge of $\frac{1}{4}$ d. for each letter weighing half-an-ounce would be equivalent to £75 per ton. But I would point out that these vessels are willing to carry ordinary freight for £3 per ton, and surely our mails are a cargo which is worth considering. If Australian letters were forwarded to England by the first boat leaving our shores, with the proviso that any person could indicate upon them the particular boat by which he desired them to be sent, we should, at least, be insured a fast service. I should not allow our mails to be carried by either the French or German companies at first. If the other companies formed a shipping ring, and refused to deliver mails within a certain time, I should then be quite willing to throw the carriage of our letters open to the competition of the French and German boats. I am a destructive socialist, because I believe in the destruction of poverty and hunger. If we could not obtain competition, I should be prepared to vote for a proposal to run our own boats, though I presume that as long as Lord Selborne is a director of the P. and O. Co., as well as a Cabinet Minister, some difficulty would be experienced in doing this. I am satisfied that if we could capitalize the amount which the Imperial and Commonwealth Governments disburse by way of subsidy, we should be able to secure vessels equally well fitted with the best of those engaged in the present service. I am aware that there are some people who urge that the traveller to-day can secure better accommodation and treatment upon the French and German mail steamers than he can

upon the P. and O. or Orient boats. Although I am a free-trader, I frankly confess that when I travel—which I do very occasionally—I like to do so upon a vessel flying the British flag. Some honorable members, however, who advocate preferential trade, are accustomed to travel upon the German and French mail steamers. I assume, therefore, with some justification, that the accommodation upon these boats is superior to that which is to be found upon the P. and O. and Orient vessels. When the officers of the latter are asked what is the explanation of this, they usually exclaim, "Oh, but look at the tremendous subsidies which they receive." But I would point out that the same argument is applicable to other lines. Let us take the White Star Company as an example. I believe that that company has afforded an opportunity to thousands of persons to visit the old country who otherwise could not have done so. It has also enabled a large number of people to come to Australia who never would have faced the discomforts of a sea trip as steerage passengers in the P. and O. or Orient boats. That being so, I do not see why the White Star Company and other lines should not participate in this subsidy. Personally, I object to the payment of any subsidy.

MR. KELLY.—Does the honorable member suggest that the Cape route is sufficiently expeditious for the carriage of mails?

MR. THOMAS.—I believe in giving equal opportunities to every company.

MR. KELLY.—But if we adopted the course suggested by the honorable member, a mail despatched from the Commonwealth this week would probably not arrive in England until after letters which are forwarded two weeks hence.

MR. JOSEPH COOK.—We could not guarantee that the boats would go direct.

MR. THOMAS.—If the vessels did not go direct, the people would soon discover the fact. Some fifteen or sixteen years ago the practice in Victoria, when persons did not indicate on the envelopes the boats by which they desired their letters to travel, was to delay them until the despatch of a regular subsidized vessel.

MR. DUGALD THOMSON.—That was upon the Californian line.

MR. THOMAS.—No. New South Wales. I think, subsidized the Orient Company, and the Victorian Government the P. and O. Company, or *vice versa*. There are two classes of letters which are forwarded

to England—those of business men, who naturally desire to obtain a speedy delivery of them, and those of the ordinary individual, to whom speed is not a matter of very great consequence. For the past twenty years I have been regularly corresponding with relatives in England, and, except, on very rare occasions, the question of the early delivery of my correspondence was not a serious matter. No subsidy is paid for the carriage of mails between England and America, but poundage is paid, and an enormous saving is thus effected, while the American mails are delivered in London just as regularly as the Londoner has his letters delivered in New York.

Mr. KELLY.—All the business is done by cable.

Mr. THOMAS.—I am aware that more business is now transacted by cable than ever previously. If we can save an expenditure of £15,000 or £20,000 a year in connexion with our mail contracts, by all means let us do so.

Mr. KELLY.—The honorable member forgets that cable messages must be confirmed.

Mr. THOMAS.—I am perfectly aware of that. The up-to-date business man depends more upon the cable than he does upon letters.

Mr. KELLY.—Confirmation of cable advices is necessary.

Mr. THOMAS.—But if a business man cables an order to England, the firm to whom it is addressed does not await confirmatory advices before executing it. If he orders a motor car or a motor cycle, for example, it is delivered to him very often before his letter reaches England. I am pleased to notice the reference made in the Governor-General's Speech to the question of a Commonwealth system of old-age pensions, and although I am aware that in the opinion of some honorable members that reference is merely so much padding, I trust that the Government are not making a hollow mockery of the matter. It is at all events the duty of the party to which I belong to see that it does not do so. If this Parliament extends over a period of three years, as I hope it will, it will be the duty of the Labour Party to see that a Commonwealth system of old-age pensions is secured. It is asserted that such a system cannot be established as long as the "Braddon Blot" remains; but I should like to learn from the Prime Minister whether there is anything so sacred about a land-values tax that it is impossible to raise the necessary funds by means

of such taxation. Why should a land-values tax be held to be sacred? Is it something like the Ark of the Covenant—once we touch it are we to die?

Mr. DUGALD THOMSON.—In some States it has already been touched.

Mr. THOMAS.—The present Government have not been backward in taxing the food supplies of the people. They have succeeded in imposing duties on condensed milk, rice, porridge, tinned meats, and fish, and many other articles of everyday consumption. I am told that there is a duty on even ginger ale. What, therefore, can there be about a land-values tax that should deter the Government from taking action in the direction I have suggested? While the "Braddon Blot" exists it must be impossible to provide for a Commonwealth system of old-age pensions merely from the Customs revenue; but there is no reason why we should not raise the necessary amount by means of a land tax. All that is required is courage on the part of the Prime Minister. If the honorable and learned gentleman proposed to provide for old-age pensions by means of land taxation he would, of course, arouse the hostility of every daily newspaper in Australia. He certainly would not bask in the smiles of the rich. The wealthy people of the Commonwealth, whether free-traders or protectionists, would oppose such a proposal.

Mr. DEAKIN.—I voted for a land-values tax every time that a proposal of the kind was submitted to the Victorian Parliament, and on two occasions I myself submitted such a proposition.

Mr. THOMAS.—I am glad to have that statement from the Prime Minister; it gives us reason to hope that he will have the courage to introduce a system of old-age pensions to be financed by means of a land-values tax. No tax could be more equitable. The land values of Australia have really been built up by the energy and the industry of the soldiers of industry, and an infinitesimal amount of those values would be sufficient to provide for the wants of those who are now unable to work. If the Prime Minister endeavours to grapple with the subject, he will be exposed to much abuse; but should he be successful he will have the satisfaction of knowing that he has placed upon the statute-book the most humane of all legislation—that he has succeeded in bringing some ray of sunlight and comfort into the homes of tens of thousands of people in Australia, who, without

such legislation, are likely to spend their last few years in a condition little better than that of a lingering death. There is one portion of the Governor-General's Speech to which I am somewhat strongly opposed. I refer to the paragraph relating to the question of preferential trade. I do not propose this evening to discuss that question, or to say whether preferential trade with the mother country would be good, bad, or indifferent. It seems to me, however, that during the last few years—and especially from the date when the Right Honorable Joseph Chamberlain took office as Secretary of State for the Colonies—a new policy has been instituted so far as England and her Colonies are concerned. The Colonial Office has been prepared to use the Colonies for party and political purposes in the old land. In order that honorable members may more clearly understand what I mean, I shall place an illustration before the House. When England went to war with the Transvaal, it was at once urged that Australian contingents should be sent to South Africa. There was no question of whether the war was justifiable. I remember hearing Sir Edmund Barton—then Mr. Barton—declare in the State Parliament of New South Wales that whether the war was right or wrong it was our duty to send troops to South Africa. The right honorable member for Adelaide, who, according to the *Bulletin*, is the ideal democrat of Australia, took up a similar position in South Australia, and any one who viewed the matter in a different light was regarded as a pro-Boer and a disloyalist. In the first debate which took place in the House of Commons after the outbreak of hostilities, Mr. Balfour, in answer to Sir Henry Campbell-Bannerman, said—

We have with us the material proof that our self-governing Colonies beyond the seas are with us heart and soul in this matter. Is it to be believed that if we were engaged upon some piratical transaction against the liberty of another people, those Colonies, the very breath of whose nostrils is self-government and liberty, would have thrown themselves into our cause, would offer us their resources, and aid us with their troops? No, sir, we are the butt of much ill-informed and malicious criticism on the part of foreign nations, but we have with us the conscience of the Empire.

I do not suggest that the majority of the people of Australia did not believe in that war, or that they were not heart and soul with England in the position which she took up. The fact was, however, that the cry raised in Australia was that whether the war

was right or wrong it was our duty to help Great Britain; yet we find Mr. Balfour declaring in the House of Commons that the sending of these troops from Australia showed that the hearts of the people of the Commonwealth were with the policy of England. That is an illustration of what is occurring to-day in relation to the preferential trade proposals. Mr. Chamberlain asserts that he has been led to enter upon his great campaign in England because the Colonies desire preferential trade, and while I do not say that what has been done here has been seriously misrepresented at home, the action taken has been used there for party purposes. A newspaper paragraph sets forth that—

The *Times* attaches more importance to Mr. Deakin's statement of Ministerial policy. The very fact, it remarks, that two parties—the Opposition and the Labour members—are able in combination to out-vote the Ministerialists adds significance to Mr. Deakin's declaration in favour of preferential trade. The Prime Minister must know that he is assured of support beyond the limits of his own party; otherwise he would have abstained from making so unpromising a declaration.

If we were asked, apart from all other considerations, whether we favoured preferential trade, I am sure that the majority of the people would reply in the negative.

MR. DEAKIN.—No.

MR. THOMAS.—I desire now to read an extract from a newspaper published in an English constituency, in which I take an interest. In passing I may say that, although some twenty years have elapsed since I left England, I take almost as much interest in the politics of the old country as I did on the day that I landed in Australia. The constituency to which I refer is at present represented in the House of Commons by a Liberal Unionist, but an effort is being made to return a Radical in his stead, and the newspaper in question set forth that—

The cry of the free importers that our colonies do not desire preference has of late been growing fainter. Lord Roseberry and others have tried repeatedly, yet without much conviction, to make us believe that the scheme for Imperial reciprocity is as unpopular in the Colonies as among Little Englanders at home. As a last resource, the free import party hoped that the Commonwealth of Australia would make no formal expression of its views on the subject. Now, even this hope is destroyed. Mr. Deakin, in cordially inviting Mr. Chamberlain to visit the Australian Colonies, acted not merely on his own behalf, nor on that of his Ministry, but on behalf of the whole Commonwealth.

Whatever may be our views with reference to preferential trade, I am sure the

Commonwealth is not in favour of Mr. Chamberlain visiting Australia as the guest of the Government. The leader of the Opposition has emphatically denounced the proposal that he should come here as the guest of the Government for party and political purposes. The leader of the Labour Party—and perhaps I should refer to him in this connexion as the honorable member for Bland, because on the fiscal issue the Labour Party knows no leader—has also spoken against it. There are many reasons why Mr. Chamberlain should not be invited to come here under the auspices of the Government, and take part in a party conflict. The Protectionist Association have a perfect right, of course, to request him to come out under their auspices; but no Government have a right to invite a man to come here who has taken such a keen party stand in England as the right honorable gentleman has done. There are many reasons why it would not be advisable for Mr. Chamberlain to visit Australia as the guest of any Government. He has taken a very keen interest and active part in politics, and many of the people of Australia have no great regard for him. I, for one, look upon him as a man who has gone back upon every reform that he has advocated, and has betrayed every party with which he has been associated. There are many persons in Australia who do not look upon him as being the statesman that some believe him to be. Those who to-day regard him as a statesman, would not have done so twenty years ago; those who opposed him then are now his strongest supporters. The point that I wish to make, however, is that, while I do not say whether preferential trade is good, bad, or indifferent, I object to its being made a party question. On practically every platform in England, it is asserted that, although preferential trade may not be good for England, the Colonies desire it, and the people at home are asked whether, after the Colonies have done so much for them, they should refuse to listen to the request. In the course of one of his speeches, Mr. Chamberlain himself said—

In Australia, the Prime Minister of Australia, and, I may add, the Prime Minister of New Zealand, have both made this policy of reciprocal preference a leading article in their programme.

Speaking in England, Mr. Chamberlain declared that, as the outcome of the conference the Prime Ministers of the various Colonies had unanimously agreed to make

Mr. Thomas.

preferential trade a leading plank in their platform. I do not know what was the position taken up by Sir Edmund Barton, upon his return from England. He did not say much in reference to this question, but, perhaps, before leaving the world of politics, he handed over the matter to the present Prime Minister. Mr. Chamberlain, on the occasion in question, went on to say that—

My friend, Mr. Reid, the leader of the Opposition in Australia, although he is himself a convinced free-trader, has, if the reports of his speeches have been correct, declared that, if he could not have absolute free-trade, he would be prepared to give the mother country a preference of 50 per cent.

I suppose that every free-trader in Australia would be prepared to give the mother country a preference of 100 per cent. Mr. Chamberlain, in one of his speeches in England, said—

For my part I say that when I remember how the Colonies responded to our appeal, when I remember how, when we were in stress and difficulty, they sent us men in thousands and tens of thousands, that they paid us money, small indeed in comparison with our vast expenditure, but not inconsiderable when you bear in mind the relative proportion of our population—when I remember how when every-one's hand seemed raised against us we relied and rested on the moral support that we had from these great growing states across the sea, I for one am not prepared to treat their proposals with contempt, and I believe that we may negotiate with them without fear of a quarrel; and that they will show to us the same spirit of generosity and patriotism, which I hope that we shall be ready to show to them.

If we are prepared to do for Great Britain what Mr. Chamberlain evidently expects, let us frankly say so. Let the Government place their proposals upon the table of this House, and let the question be discussed absolutely on its merits. Let Mr. Chamberlain and the people of England who are fighting with him know exactly what it is that we are prepared to do. I believe that the Prime Minister and many of his supporters are prepared to negotiate with Great Britain if Great Britain will negotiate with us. Well, there is not a single member in this House, I believe—certainly I am not one—who is indisposed to negotiate if Great Britain wishes it. If the British Government will submit a proposal to us, or if our own Government will submit a proposal, I shall be prepared to listen to it. But that is a very different position from allowing prominent men in England to say that they are advocating their policy for the sake of the Colonies. It was cabled out to Australia a little while ago that Mr.

Chamberlain had said that if the Colonies did not want preferential trade he would be prepared to abandon the fight, but that it was on behalf of the Colonies—those who had done so much for Great Britain—that he was prepared to make a sacrifice. There is a political party in the mother country which is being handicapped by the action of the Commonwealth Government. Personally, I do not think that the Conservative or Protectionist Party has a hope at the next general election in England. But, at the same time, it is an unfair thing to call upon thousands and tens of thousands of the people of England to vote out of sentiment for the Colonies, when, if that appeal had not been made to them, they would go into another camp. I feel very strongly upon that point. I feel that if an amendment were brought forward against our own Government at this juncture it would not be a fair and square fight, from the point of view of a number of honorable members, because it would concern issues which are quite apart from that of preferential trade. Some would vote against the Government because they were anxious to remove certain sections from our legislation. Others would vote against them for other reasons. The fact that they invited the Right Honorable Joseph Chamberlain out here would not in itself be a sufficient reason for endeavouring to displace them. So that I say that it is only fair to Australia, to Mr. Chamberlain, and to the people of England that we should have laid upon the table of the House the exact proposals of the Government as soon as they are prepared to submit them. Let them be discussed absolutely on their merits, and the people of England of all political parties know exactly where we are.

Mr. RONALD (Southern Melbourne).—A debate upon the Address in Reply is what has been well described as *de omnibus rebus, et quibusdam aliis*. For the uninitiated that may be translated—"Concerning everything and a few other things." There are a number of burning questions included in the programme of the Government which is put before us, and I think it is the duty of every honorable member to speak in regard to it, in order that the House, and especially those who have provided the political pabulum which we are to discuss, may know what our feeling is in regard to the proposed measures. Such a debate is a kind of *camera obscura*, which gathers and concentrates the opinions of the members of

the House upon leading, burning, vexed questions. I congratulate the Ministry, in the first place, on having put before us a very interesting programme. No one can complain that it is "flat, stale, and unprofitable," and that there is nothing in it to interest anybody. We have seen manifestoes and Governor's Speeches which were marked by that characteristic. But this is decidedly an interesting programme, and whether we agree with it in detail or not there can be no doubt that there is something in it for everybody. I shall pass over the references to international matters, which usually mean nothing, and come down to the first part of the programme, concerning which every honorable member who has spoken has prefaced his remarks by explaining his attitude. In connexion with that subject there has been a very decided, unwarranted, malicious, and malignant attack made upon a certain party in this House, which is called the third party. We have been challenged to explain our presence here. We have been challenged to define our position, our theory, and the political school to which we belong. One honorable member was concerned as to what socialism meant, and many people have been cudgelling their brains to find out what is meant by that word. Many of them are as far off as ever from throwing any light upon the subject. Some people during the recent elections went round declaring that the members of the Labour Party were anarchists. On other occasions we were denounced as communists. Then, again, we were described as socialists; and I, for one, thought that it would have been a kindness on the part of somebody to present each of these gentlemen with a dictionary that could be carried round in the waistcoat pocket. It would have been a godsend to them, and would have saved a great deal of misconception. For the benefit of those who are puzzled I will define what I mean by socialism. Socialism, as we mean it—that is, State socialism—is that organization which seeks the greatest happiness of the greatest number by constitutional and political means.

Mr. McDONALD.—The honorable member for Koo-vong gave us that definition.

Mr. RONALD.—If that was the honorable member's definition I am glad that he understood so clearly what socialism is. And if that be socialism I have a very high authority to quote, no less than His Most Gracious Majesty King Edward VII., who

said, on one occasion, "We are all socialists nowadays." Again, if that be a true definition of socialism I have to ask—why these malicious and malignant misrepresentations of the party which has indorsed that definition of its policy and fought for such principles? Why is there this false view of the third party? Are we so common or unclean that we cannot be associated with? Why should we be isolated and insulated into a third party? There is no third party. We have all along advocated measures, not men; and when we see the measures of the Government and the alternative proposals of the Opposition we shall be ready to range ourselves on the one side or the other. We indorse everything which appears in the Governor-General's Speech, but we do not intend to stop half-way. We are prepared to follow the principles there contained to their logical termini. That will bring the Government and the members of the Labour Party to a meeting place. The only question upon which we are likely to split is a difference, not of principle, but of detail in connexion with the Conciliation and Arbitration Bill. The Government are to be commended for their attempt to give some solidarity to the conflicting factory legislation of the States, but they are not to be congratulated upon the invidious distinction which they have made between classes by exempting from the application of their measure the seamen and the public servants. There should be no such exemption. Is it not the whole end and aim of the measure to do justice? That being so, does the Government expect honorable members to support a distinction such as they have made? Are we to say to these large and important sections of the community, "You shall have no standing in this final appeal court for disputes between masters and men"? We can make no such distinction. I could not go before those who sent me here, and say that I am prepared to place a large, important, respectable, and intelligent section of the community outside the scope of the Bill. I think that I was elected largely because I refused to make such an invidious distinction between one class and another. The only plausible reasons given for it are that to apply the provisions of the Bill to public servants would be a needless and wanton interference with the

rights of the States, and that it would be impossible for the Treasurers of the States to frame satisfactory Budgets if it were within the power of an outside tribunal to alter the wages of the servants of the States. To use those arguments is merely to raise a dust and complain that one cannot see. Every one knows that there is no finality in the action of a State Government. There is always a right of appeal from court to court, until the Privy Council is reached. But the disputes which will be brought before the Commonwealth Arbitration Court will rarely have to do with the question of wages. The late trouble in Victoria between the railway men and the State Government arose about what those who regard money as everything would call a sentimental grievance, the right of the railway servants to ally themselves with a certain organization. Any decision of a Commonwealth Court in that case would not have interfered with the State Budget. I can understand the action of the Prime Minister in this case. He went to Ballarat and there issued a Ministerial manifesto, in which he said that he was not prepared to apply the provisions of the Conciliation and Arbitration Bill to public servants and seamen. The country indorsed nine-tenths of his programme, but I think that upon counting noses it will be found that a majority of those whom the electors have returned here are in favour of applying the provisions of the measure to those classes. If the Government are beaten upon the point, as they were during the Committee consideration of the last Bill, it will be their duty to still go on with the measure.

Mr. WILKS.—What then will become of responsible government?

Mr. RONALD.—This is merely a matter of detail.

Mr. O'MALLEY.—It is a vital issue.

Mr. RONALD.—No; the general principle of the Bill will have been affirmed, and the Prime Minister will not be doing right in refusing to proceed with its consideration if he is defeated upon a mere matter of detail.

Mr. WILKS.—He says that the application of the provisions of the measure to public servants would interfere with the rights of the States.

Mr. RONALD.—The States have surrendered their right to deal with this matter. How, then, can it be said to be an infringement of States rights to bring the public servants under this Bill. The Constitution, and not the Minister, is my authority.

Mr. KELLY.—Have the States surrendered their right to tax themselves for their own services?

Mr. RONALD.—Certainly not.

Mr. KELLY.—That, I think, is the point the Prime Minister made.

Mr. RONALD.—Commonwealth rights and States rights here overlap, the States having surrendered their right to deal with any dispute extending beyond the limits of a State. If that surrender involves the servants of a State, that State must bow.

Mr. WILKS.—The honorable member desires the Government to bow and go on with the Bill.

Mr. RONALD.—I do not; I want the Government to bow to the will of the people, and, as democrats, the Government ought to do so. The Prime Minister put his manifesto before the country at Ballarat, and that manifesto was indorsed by the people, with the qualification that they differed from the head of the Government on a matter of detail, but not on a matter of principle. The Government have no right to stake their existence on any but a matter of principle. This will be the one Bill which will absorb the attention of the House, and once the measure is before us, I sincerely hope that it will be taken possession of by the majority who are in favour of the inclusion of the public servants.

Mr. WILKS.—Take possession of the Ministry?

Mr. RONALD.—We shall be prepared to even do that; but in the meantime, if the Bill is read a second time, we intend to insist on the inclusion of the Public Service. I trust that the good sense and kindly feeling which marks the *personnel* of the Government will not allow them to persist in passing the measure with a blemish upon it, but that they will bow to the decision of the country, and thus prove themselves democrats, not only in word, but in deed. There ought to be a parting of the ways somewhere, but, unfortunately, classes and schools have overlapped so much that we find good democrats who are free-traders, and equally good democrats who are protectionists.

Mr. WILKS.—The latter by accident.

Mr. RONALD.—No, by design. We want a line of cleavage, and the Conciliation and Arbitration Bill marks the parting of the ways and will determine on which side honorable members stand. We cannot have any invidious distinctions, and we are not going to stultify our Conciliation and Arbitration Bill by excluding a highly respect-

able and numerous section of the community. I have a word or two to say about preferential trade. I need hardly tell honorable members that I rejoice exceedingly that a proposal of the kind has come before us. I am heart and soul in favour of the principles laid down or suggested by Mr. Chamberlain, not only recently, but as far back as 1896. It is always painful to find one's self in a minority, but when the great war fever or *furor* was on, I was one who took what was regarded as an unpatriotic view, and expressed opinions which could be, and were, misconstrued into disloyalty. I took that view because I had no faith in Mr. Chamberlain, who forsook the party for whom I fought loyally as a member of the rank and file in the old country for twenty years. I felt that I ought to speak out, and I did speak out, and taking an unpopular view, I had to bear opprobrium as a pro-Boer. I am heartily glad, however, to be able to indorse Mr. Chamberlain's proposal in the direction of free-trade, because I feel sure that, if we are to bind the distant *membra disjecta* of this Empire into solidarity, there must be a union of interest as well as a union of sentiment. It must be made worth the people's while to be loyal. It is humiliating to confess that men are loyal mostly in the direction in which their interests lie; but I am perfectly sure that a sentimental, visionary loyalty would be very transient unless supported by tangible, profitable, substantial advantages in the form of preferential trade. Does it not seem absurd that while we in Australia are a great emporium for breadstuffs, Great Britain gives us no preference, but throws her doors open alike to foreigner and friend.

Mr. LONSDALE.—Are those the teachings of the Great Master?

Mr. RONALD.—I fancy I know the teachings of the Great Master as well as does the honorable member, but those teachings have nothing whatever to do with preferential trade. I quoted, or I intended to quote, the Great Master this evening in the words—"Whatsoever ye would that men should do to you do ye even so to them."

Mr. DUGALD THOMSON.—Then why not free the Australian ports to Britain?

Mr. RONALD.—The honorable member for North Sydney would be very glad if our ports were free to all men; he certainly would not be content with freeing the ports to Britain. We are making a bargain, and are certainly not going to throw away a

tangible advantage. We are not proposing to open our ports to Great Britain merely for the sake of doing so, or for the sake of loyalty to Great Britain.

Mr. LONSDALE.—Loyalty to right is better than loyalty to Great Britain.

Mr. RONALD.—I have already said that we must make it worth people's while to be loyal, and there is now an opportunity.

Mr. LONSDALE.—The doctrine of unselfishness is the doctrine of the Great Master.

Mr. RONALD.—“Brevity is the soul of wit,” and I want to present my views in as few words as possible. I congratulate the Government on their very interesting programme, and I wish they may live to see it carried through. If the Government are true to their principles, they will get loyal support from the party with which I am associated. That I can promise them; but there need be no fear of a third party. Let me tell honorable members that there are not three parties. There are but two parties. The moment principles and measures, not men, are before us, we range ourselves upon one side or the other. We shall find that there are good democrats in the ranks of our honorable friends opposite, also democratic followers of the Government supporting us when we come to deal with the vital issue of including or excluding a large, respectable, and, I may say, a very much ill-used section of the community, namely, the public servants. What is sauce for the goose should be sauce for the gander, and we should make no invidious distinction as to the persons to whom we shall give the right of appeal to the highest tribunal in the land for settlement of all vexed questions. I hope we shall be able to challenge the verdict of the civilized world when we claim that we have done what we could to prevent industrial disputes between men and masters. There should be no class in our community without the right of appeal to justice, or refused a hearing for its grievance. I hope we shall provide all the necessary machinery to put into execution such a law that we may be able to say that Australia is a land without strikes, and without internal disputes. If anything will attract capital, and if anything will attract desirable immigrants to this country, it surely will be a knowledge of the fact that an industrial dispute is an absolute impossibility within the confines of the Commonwealth of Australia.

Motion (by Mr. McDONALD) proposed—
That the debate be now adjourned.

Mr. DEAKIN (Ballarat—Minister for External Affairs).—I must ask the honorable member not to press that motion. Last night, as is often the case on Tuesdays, we adjourned early. I regret that the honorable member did not then move the adjournment of the debate to enable him to speak this afternoon. But for a misunderstanding, I believe he would have done so. The position in which we find ourselves now is that if the debate is extended over to-morrow four or five more speakers will take part in it who, I understand, have agreed to waive their right to do so if the debate is closed to-night. Therefore, although it may be at some personal inconvenience to the honorable member for Kennedy, and may impose upon him a burden which I am very reluctant to ask him to accept, I hope the honorable member will see his way not to press the motion he has moved when he learns that we can close the debate to-night if he speaks now.

Mr. McDONALD.—I shall divide the House on it.

Mr. DEAKIN.—I hope the honorable member will not do so. I think I am making a reasonable request.

Mr. McDONALD.—We adjourned at 10 o'clock last night.

Mr. DEAKIN.—Honorable members will remember that in consenting to the early adjournment last night I asked them to agree to close the debate to-night. That was the warning given. The honorable member for Kennedy could have spoken earlier to-day if he had chosen to do so.

Mr. McDONALD.—I could not, as every speaker was arranged for.

Mr. O'MALLEY.—I might wish to speak.

Mr. DEAKIN.—I have been informed that honorable members who desire to speak agreed to waive their right to do so if the debate was closed to-night. In the circumstances, I ask the honorable member for Kennedy to help us to close the debate.

Mr. DUGALD THOMSON (North Sydney).—I ask the Prime Minister to favorably consider the request of the honorable member for Kennedy. The time has been occupied to-day, not by members of the Opposition, but by members of the Ministry, and honorable members who do not sit on this side of the House.

Sir JOHN FORREST.—Only one member of the Ministry spoke to-day.

Mr. DUGALD THOMSON.—Another spoke last night. It cannot be said that

during the debate there has been any obstruction. The honorable member for Kennedy is entitled to a better opportunity to speak in the debate than will be afforded him if he is asked to speak to-night. It must also be remembered that there are some honorable members absent who did not anticipate that the debate would close to-night.

Mr. DEAKIN.—Does the honorable member say that there are other honorable members on the Opposition side who desire to speak?

Mr. DUGALD THOMSON.—I understand that is so.

Mr. DEAKIN.—I was not aware of that. Motion agreed to; debate adjourned.

ADJOURNMENT.

EASTER RECESS: FEDERAL CAPITAL SITES.

Mr. DEAKIN (Ballarat—Minister for External Affairs).—I move—

That the House do now adjourn.

I think I may venture to ask honorable members, not only to aid us in closing the debate on the Address in Reply to-morrow night, as we certainly can do, but to aid us in closing it to-morrow afternoon, so that before we part this week we may be able to deal with the question of privilege upon the paper, and if possible also—and I am willing if it is thought we can finish the debate to allow it to have precedence—with the question of the introduction of Chinese into the Transvaal. If a motion upon that question is to be passed in any form it should be passed at once. If it can be disposed of this week the paper will be left clear next week for the Arbitration Bill and other measures, and we can proceed with them without interruption.

Mr. DUGALD THOMSON (North Sydney).—I draw the attention of the Prime Minister, in the interests of honorable members generally, to the necessity for fixing a time for the Easter recess. I also suggest that that recess, by a little extension, might be taken advantage of to give a number of honorable members who have not yet visited the sites proposed for the Federal Capital, an opportunity to do so, in order that the subsequent proceedings of the House in connexion with the selection of the site may be more intelligently followed by them.

Mr. DEAKIN (Ballarat—Minister for External Affairs).—I admit that it is necessary that Easter week should be given to honorable members, as it would be making an undue demand upon them to ask them to

attend here on a short week. I understand that it is the wish of some new members to make individual visits—no general visit is proposed—to the sites suggested for the Federal Capital, and I am prepared to grant an adjournment which will enable those who may think fit so to do to inspect one or other, or, better still, both of the sites suggested.

Mr. DUGALD THOMSON.—The three sites suggested.

Mr. DEAKIN.—Lyndhurst did not occur to me, because it may be visited with so little expenditure of time at any week end. I think the proposal suggested by the acting leader of the Opposition, which the honorable member did me the favour to mention privately, is reasonable, and I shall be prepared to move the adjournment of the House on the Thursday night before Good Friday for a fortnight. That will give time to honorable members who care to do so to visit all the sites.

Question resolved in the affirmative.

House adjourned at 10.48 p.m.

Senate.

Thursday, 17 March, 1904.

The PRESIDENT took the chair at 2.30 p.m., and read prayers.

SPECIAL ADJOURNMENT.

Senator PLAYFORD (South Australia -- Vice-President of the Executive Council).—I anticipate that at some time to-day we shall be able to conclude our labours for this week. I intend to ask the Senate to adjourn until 6th April.

Senator MCGREGOR.—Make it the 13th April.

Senator PLAYFORD.—I am in the hands of honorable senators. If they wish to adjourn until the 13th April well and good.

Senator Lt.-Col. GOULD.—I think it will suit the Senate to adjourn until the 13th April.

Senator PLAYFORD.—I move—

That the Senate, at its rising, adjourn until Wednesday, 13th April.

Senator GIVENS (Queensland).—I object to a long adjournment so early in the session. A large number of honorable senators have given up all their business connexions in order to come down here and

proceed with the business of the country. It is a very curious thing that there should be no business ready for the Senate to go on with. When the Parliament is called together the Government should have some business ready for our consideration. It is simply absurd that the Senate should meet for three weeks, do practically nothing, and then be asked to adjourn for three weeks or a month. What is the good of a month's adjournment to me? It would take me a fortnight to reach my home in Cairns, and nearly another fortnight to return to Melbourne. Honorable senators, whose homes are far distant from this city should have their convenience consulted by the Government. It was not right to bring us down from the far north or west of Australia merely to comply with the terms of the Constitution when there was no business ready to be proceeded with. The Government should always be prepared to go on with public business when Parliament is convened, and should not bring us here simply to kill time, as we have been doing for the past three weeks.

Senator STANIFORTH SMITH (Western Australia).—I am thoroughly in accord with the protest which has been lodged by Senator Givens. In previous sessions I have objected to long adjournments. Although we met early in March, the Government have placed no business before the Senate except a wretched little Bill, called the Acts Interpretation Bill.

The PRESIDENT.—I do not think the honorable senator ought to characterize a Bill as "a wretched little Bill."

Senator STANIFORTH SMITH.—May I say an absurd Bill?

The PRESIDENT.—The honorable senator ought not to speak of a Bill which has been passed by the Senate in that way.

Senator STANIFORTH SMITH.—Well, I will say a Bill which is of absolutely no importance. We are placed in a most invidious position. Although we were called together early in March, the Government have no important business to place before us until the 13th April. I understand that the object of calling a Parliament together is that it may consider certain legislation which a responsible Government has to submit. I believe that the Navigation Bill has been ready for a considerable time.

Senator DRAKE.—The honorable senator is entirely misinformed.

Senator STANIFORTH SMITH.—It may be. Why is the Senate called together when the first business of the session, the Navigation Bill, cannot be submitted for nearly two months? It is most unfair to honorable senators who have come from distant States that no business should be ready. It is not possible for the representatives of Queensland and Western Australia to go to their homes. They have to cool their heels in Melbourne for several weeks in order to suit the idiosyncracies of the Ministry. I protest most strongly against this proposal to adjourn for practically a month. If the Government were unable to have the Navigation Bill ready for submission to the Senate, they should have had some of the other multitudinous measures which they mentioned in the opening speech. But they are treating the Senate in a most cavalier manner.

Senator PULSFORD (New South Wales).—It has been mentioned by two honorable senators that between now and the 13th April the Easter holidays will intervene.

Senator GUTHRIE.—The holidays are not sitting days—Friday and Monday.

Senator PULSFORD.—Suppose that we meet next week, we could begin the consideration of the Navigation Bill—a Bill big in size and bigger still in importance; and then we should have to adjourn over the Easter holidays. It would be an unfortunate thing to have a break in the consideration of that big Bill. If we were to meet at all during the following week it could only be on Wednesday, 30th March, because the representatives of adjoining States would have to leave here on the Wednesday in order to be home on Thursday afternoon. A short adjournment would be of no use to those honorable senators who live in Brisbane. If we were called together on the 6th April some honorable senators would not be able to spend Easter Monday at home. I recognise the desirability of the Senate doing all the work it possibly can, and of going on steadily when it gets an opportunity. One point which has to be considered is the great and excessive strain on the physical system when honorable senators have to travel so often from adjoining States. Those honorable senators who are compelled to take up their residence in this city naturally feel that they are more or less wasting their time. We ought to meet their convenience as far as we can, but we must ask them to remember the

strain which is imposed on those who have to travel frequently from other States. If we were to meet immediately after Easter Monday, honorable senators who wish to come from the adjoining States could not get here; that is, unless they were to leave before the Easter holidays.

Senator DOBSON.—They all leave on Tuesday, and get here on Wednesday.

Senator PULSFORD.—I would suggest that we should meet on Tuesday, 12th April, and do four days' solid work in that week; and if honorable senators like, four days' solid work in the following week. It is unfortunate that the Easter holidays should intervene as they do. We all recognise that the Government are not ready with the Navigation Bill. If it had been ready last week the debate on the Address in Reply might have been closed, and the Bill proceeded with. If the Attorney-General is prepared to move the second reading of the Bill to-morrow we should be better fitted to meet a few days earlier than the date I have suggested, because we should have had the advantage of reading his speech in *Hansard*. In view of all the circumstances, I think it is a fair and reasonable suggestion that we should meet on the 13th April.

Senator PEARCE (Western Australia).—I desire to ask the Attorney-General if the Navigation Bill will be introduced to-day? If it is to be introduced to-day there will be a distinct advantage in having an adjournment. I deny that this adjournment is sought in the interests of the representatives of Western Australia and Queensland. We do not desire an adjournment at all, but, at the same time, we are prepared to support an adjournment for three weeks if it suits the convenience of other honorable senators. We do not wish to be made scape-goats of. I recognise that in the case of a big Bill, it is a distinct advantage to honorable senators to have an adjournment after its introduction, so as to enable them to study its provisions thoroughly.

Senator Lt.-Col. GOULD (New South Wales).—The only other suggestion which can be entertained is that the Senate should meet on the 6th April, hear the second reading speech on the Navigation Bill, and then adjourn until the 13th April, when the debate could be resumed. That course might be adopted, but it would not really advance public business. I do not blame the Government

for delaying the introduction of the Navigation Bill, and introducing another Bill in the other House.

Senator STANFORTH SMITH.—I expect that they want the consideration of that Bill to be concluded first.

Senator Lt.-Col. GOULD.—I do not think that that is the case. The other Bill is a remanet from the last Parliament, and naturally it is the first business which the Government wish to be taken in hand in the Chamber in which it was originated. I do not think that there is any ground to complain that the Senate is not being treated fairly in that regard. Although the Navigation Bill has been on the stocks for a considerable time, still any Government would consider it desirable to have as late a revision of its provisions as it possibly could before it was introduced. Assuming that the Bill was introduced this afternoon, and that the Attorney-General moved its second reading, we should not be able to follow his speech so well as we could if we had had the Bill in our hands for a little time. I agree with Senator Pulsford that it would be a mistake to have a break of two or three weeks in the debate on such an important measure. However eager honorable senators may be to see a measure of that character placed on the statute-book in some acceptable form, still they must recognise that it ought not to be passed without receiving the fullest possible consideration. I hope that it will be recognised that Senator Playford is endeavouring to meet the convenience of honorable senators as far as possible. I shall be content with the understanding that as soon as we meet again the Government will proceed with their measures uninterruptedly. I am quite aware that long adjournments are inconvenient to some honorable senators; but there are others to whom they afford opportunities for going to their homes. Why should we not give them that chance, if it can be done reasonably and fairly in the interests of public business? We desire to assist one another as far as we can, as well as to expedite business. I, therefore, trust that the Senate will assent to the proposal.

Senator MCGREGOR (South Australia).—There are one or two reasons why I made the suggestion that the Easter adjournment should be extended to the 13th April. When a proposal of this kind is made, I am rather pained to listen to those honorable senators who are continually crying out about the absolute impossibility of getting to

their homes. Where, for instance, is Senator Smith's home? He has not a home to go to. Why should he be the first to jump up and object to an adjournment, except that he desires to show to the Western Australian people how extremely anxious he is to get on with public business? There is a great difference between the position of the Senate and that of the House of Representatives. The Senate numbers only half the number of another place. We have exactly the same amount of business to do, and there must be intervals when we have to wait for the other House to catch up with what we have done. Another point is that the discussion of measures in the Senate does not occupy so much time as do the discussions in the House of Representatives. We have not in the Senate orators who are prepared to occupy hours and hours of time, and to fill pages upon pages of *Hansard*. I am glad that we have not. But there are such people in another place, and we have to stay our hands while they are doing that kind of thing. With respect to the proposed adjournment to the 13th April in preference to an adjournment to the 6th, I would point out that there are a number of new senators who have not yet had opportunities of visiting the proposed sites for the Federal Capital. I believe that the Government are prepared to extend to them opportunities for visiting the sites. It would be far better to extend the adjournment as proposed than to have an adjournment for the purpose later on. Of course Senator Smith and Senator Dobson have visited the sites, and do not care about the convenience of others. But it is the duty of every honorable senator who has to cast a vote on an important matter of that description to go and see for himself. They cannot go before Easter, because to do so would probably interfere with their other arrangements. The visit must be made after Easter.

Senator GIVENS.—I do not know of any arrangements to prevent the visit being paid before Easter.

Senator DOBSON.—What are the Labour Party's arrangements?

Senator MCGREGOR.—My own arrangements are these: I knew about twelve months ago that there would be an Easter this year. I knew that Good Friday would be on the 1st April, 1904; that Easter Sunday would occur two days afterwards, and that Easter Monday would follow the Sunday. Consequently, twelve months ago I arranged to visit a certain portion of my

constituency on Easter Monday; not Onkaparinga, for the races, but a place at a greater distance from Adelaide. It is my intention to go there, so that if I wanted to view the Capital sites I could not do it. There are other honorable senators who have made similar Easter arrangements, and it was a wise thing to extend the adjournment from the 6th April to the 13th April. I hope that the motion will be carried, and that the arrangement will prove satisfactory to the majority of honorable senators.

Senator WALKER (New South Wales).—Senator McGregor has anticipated almost all I intended to say. There has been a large influx of new senators, and the representatives of New South Wales are delighted to know that they will have an opportunity of visiting the proposed Capital sites. We hope that they will avail themselves of the opportunity, and we will do what we can to facilitate the inspection.

Senator DRAKE (Queensland—Attorney-General).—The Senate always gets through its work more quickly than does the other Chamber, and probably always will. There is practically the same amount of work to be done by each branch of the Legislature, and the difference arises in consequence of there being a smaller number of senators than of representatives, and less talking in this Chamber. It must be admitted that the two Houses have to commence the session at the same time, and that both have to remain in session until the prorogation. So that if the Senate gets through its work more quickly than does the other House, there must be periods when we shall have no work to do. It has been represented to me by honorable senators in the past, that they recognise that there must be adjournments of the Senate owing to the longer time taken by the House of Representatives in discharging its business, and they have expressed the hope that such arrangements would be made as would enable honorable senators to take advantage of those adjournments. That position was fully put to me last session on more than one occasion. I endeavoured, as far as I could, when I was in charge of business, in the absence of the Vice-President of the Executive Council, to arrange matters so that when there was a slackness of business honorable senators might be able to get away for two, or, perhaps more, weeks at a time, rather than have the Senate sitting continually when there was not sufficient work to go on with.

Senator GIVENS.—There is plenty of work to do if it were ready.

Senator DRAKE.—But suppose we rushed through our work at the beginning of the session, we should then have to wait until the other Chamber had caught up with what we had done. Consequently we should not be a whit more forward than we should if we had taken a holiday. When the Conciliation and Arbitration Bill comes before us, the probability is that the Senate will not take so long to consider it as will the House of Representatives. In the same way we shall not take so long to discuss the Navigation Bill. With regard to that measure it has been said that it was drafted twelve months ago. It is quite true that a Navigation Bill was drafted, but not this Bill.

Senator GUTHRIE.—It was drafted and submitted to experts.

Senator DRAKE.—But improvements have been made in it from time to time, and as a matter of fact the drafting was not actually completed until this morning.

Senator DOBSON.—Whose fault is that?

Senator DRAKE.—It is nobody's fault. In the drafting of a Bill of such an extensive character, the work of continually going through it, and revising and again revising, proceeds right up to the time when the copy is delivered to the printer. The finishing touches of the Bill were not given to it until to-day, and therefore it will not be ready for circulation this afternoon. It is now ready to lay upon the table of the Senate for its first reading, and I am informed by the Clerk that as soon as it has been read a first time it will be sent to the printer, with instructions to have it printed as quickly as possible. Then it will be circulated amongst honorable members, wherever they may be. I hope that within a couple of days the Bill will be in print, and ready for distribution.

Senator DOBSON.—Can we not take away copies to-morrow?

Senator DRAKE.—Honorable senators will be able to take away copies as soon as it is printed.

Senator DOBSON.—Will that be by noon to-morrow?

Senator DRAKE.—I hope so; but that will depend on the printer. It is impossible for me to say absolutely whether it will be ready to-morrow. I sincerely hope that it will. Copies will be forwarded to honor-

able senators immediately. I need hardly say that I ought not to be expected to move the second reading of the Bill next week. I do not think it would be fair either to the Bill or to the Senate to do so.

Senator DOBSON (Tasmania).—I find this debate both disappointing and irritating. It is disappointing, because it appears to me that the Government have brought us here without having any work for us to do. If we are to have an adjournment for three weeks it means that it will be six weeks after the meeting of Parliament before there will be any work worthy of the name ready for the Senate. The Vice-President of the Executive Council knows perfectly well that honorable senators have complained more than once that there was not a sufficient amount of work to keep them together, and the ex-Vice-President of the Executive Council promised that that complaint would be attended to. It appears that there is no Bill ready for the Senate to discuss. I have listened with great patience to the remarks of the Attorney-General, and, as far as I know—and I know something about these matters—there is nothing in his contention. The Navigation Bill, with its 550 clauses, has been before the Cabinet for a long time. I suppose that nineteen-twentieths of its clauses are absolutely undebatable. It will be found that there are only a few clauses affecting Western Australia and the coasting trade about which there will be contentious discussion.

Senator PEARCE.—I guarantee that the honorable and learned senator will debate five clauses out of six.

Senator DOBSON.—The press has been enlightening us about the contentious clauses for the past twelve months. When the Bill was introduced in the other House it was criticised, and there is no excuse for its not being ready.

Senator DRAKE.—When was the Bill criticised?

Senator DOBSON.—The policy of the Bill has been criticised by the press and by members of Parliament for months past. We were promised that there would be business for us to deal with, and that promise ought to be kept. The Vice-President of the Executive Council is taking a wrong view of his duties, when he calmly suggests a three weeks' adjournment. He first told me that we should adjourn for a fortnight, but, at the bare mention of another week by Senator McGregor, the honorable

senator leaned back in his comfortable chair and smiled assent to the request of the leader of the Labour Party.

Senator PLAYFORD.—I had forgotten about Easter.

Senator DOBSON.—I have referred to the disappointing feature of the discussion. What about the irritating feature of it? The Vice-President of the Executive Council ought to have given us better reasons for the three weeks adjournment. What are the true reasons? Senator McGregor tells us that the new senators desire to visit the Federal Capital sites. Well, we visited about twelve sites in ten days, and if honorable senators wish to visit Tumut and Bombala they can very well finish their inspection by the 6th April. It seems to me to be monstrous for Senator McGregor to say that honorable senators cannot start to visit the sites until after Easter. Senator Gould, for some reason, desires a long adjournment, but I do not think he will insist upon it when he knows how absolutely inconvenient it is to the senators from Tasmania, Western Australia, and Queensland. It is said that we could not return in Easter week. It seems to be forgotten that the Tasmanian steamer leaves Tasmania on Easter Tuesday and arrives in Melbourne at 12 o'clock on Wednesday, and that the Adelaide and Sydney trains leave on Tuesday evening at 7 o'clock and arrive in Melbourne on Wednesday morning. Therefore, I cannot understand that argument. Those of us who have been brought from our homes to Melbourne have a right to expect that business shall be proceeded with. The Attorney-General says that he will not be prepared to move the second reading of the Navigation Bill next week. In my opinion, he is as prepared now as he ever will be. He has been looking over the Bill, and thinking over it for a very long time, and if he is not ready now I do not think he ever will be. There is no reason for this unexpectedly long adjournment. If honorable senators insist upon it, all I can suggest is that we, who are opposed to it, should endeavour to negative the motion. If we cannot do that we must "loaf" about Melbourne or visit the Capital sites. But it will not take the new senators until the 13th April to do that. The leader of the Government is not, I think, acting fairly or reasonably towards those honorable senators who desire to get on with the business of the country.

Senator GRAY (New South Wales).—As one who is not a member of the Labour

Party I may be permitted to express the hope that an opportunity will be given to new senators during the adjournment to view the proposed Federal Capital sites at Tumut and Bombala.

Senator PULSFORD.—And at Lyndhurst.

Senator GRAY.—I have already been to Lyndhurst, and therefore I cannot honestly urge a desire to view that area as a reason for the adjournment.

Senator DOBSON.—I ought to have made my reference to new senators.

Senator GRAY.—I sympathize very much with the remarks of Senator Dobson as to our being called here as representatives of the Commonwealth, on an absolute promise that as soon as we met business would be placed before us. So far as I know the Senate has, up to the present time, done absolutely nothing; and in this connexion there is, and must be, blame attachable to somebody. But I realize also that there is another reason, exceptional in itself, why the proposed adjournment to the 13th April, will be conducive to the interests of the Commonwealth. We recognise that the Navigation Bill is of the utmost importance to the trading community of the Commonwealth, and, personally, I should like to have an opportunity, after the circulation of the measure, to obtain the advice of experts in the shipping laws of the Commonwealth and other countries, so that in the debate I may be able to give the Senate the benefit of the knowledge thus obtained. If other senators take a similar course there will not be that loss of time which it is feared would prove detrimental to the interests of the Commonwealth. For these reasons I support the motion for the adjournment until the 13th April.

Senator TURLEY (Queensland).—In parliamentary life, protests of this kind are very often made, and are frequently made, merely for the purpose of enabling parliamentary representatives to say something. When the question is put, I shall call for a division.

Senator PLAYFORD.—I feel very much in the position of the man with the donkey; I find it utterly impossible to please everybody, try as hard as I can to meet the wishes of the majority.

Senator STANFORTH SMITH.—That is the policy of the Government.

Senator PLAYFORD.—It is the policy of any courteous person who thinks of the interests, wishes, and comforts of his fellows.

Senator STANFORTH SMITH.—The Government make a proposal, and then accept another.

Senator PLAYFORD.—There is a miserable suspicion on the honorable senator's part that Governments are always playing tricks, and apparently nothing will remove that idea from his mind. The chances are that if the honorable senator were in charge of the Government, he would go "crooked," and he thinks that other people are exactly like himself. I always try to live in peace and concord with my fellows, and to make them happy and comfortable in this "vale of tears." In view of the importance of the Navigation Bill, it was suggested that after it had been circulated there should be an adjournment in order to enable honorable senators to master its contents, and also that it might be sent throughout the Commonwealth with a view to obtaining suggestions and advice from those with especial knowledge of shipping matters. When I proposed that the adjournment should be for a fortnight, I had forgotten all about Easter; and as the period I first suggested would bring us back in the Easter week, which might prove inconvenient, I accepted the suggestion to make the date the 13th. It appears to me that the majority of honorable senators favour the longer adjournment.

Question put. The Senate divided.

Ayes	...	...	18
Noes	..	...	5
—			
Majority	...	...	13

AYES.

Baker, Sir R. C.	Pearce, G. F.
Croft, J. W.	Playford, T.
de Largie, H.	Pulsford, E.
Drake, J. G.	Stewart, J. C.
Gould, A. J.	Story, W. H.
Gray, J. P.	Styles, J.
Henderson, G.	Walker, J. T.
Higgs, W. G.	
McGregor, G.	Teller.
O'Keefe, D. J.	Dawson, A.

NOES.

Dobson, H.	Turley, H.
Givens, T.	Teller.
Smith, M. S. C.	Guthrie, R. S.

Question so resolved in the affirmative.

NAVIGATION BILL.

Bill presented by Senator DRAKE, and read a first time.

NATIONAL MONOPOLY IN TOBACCO.

Senator PEARCE (Western Australia).—I move—

1. That in the opinion of this Senate, in order to provide the necessary money for the payment of old-age pensions and for other purposes, the Commonwealth Government should undertake the manufacture and sale of tobacco, cigars, and cigarettes.

2. That the foregoing resolution be referred to the House of Representatives, with a message requesting their concurrence therein.

3. That a Select Committee, consisting of six members of the Senate and the mover, be appointed, with power to sit and confer with a similar number of members of the House of Representatives, to inquire into and report on the best method of carrying the foregoing resolution into effect.

A similar motion has twice previously been discussed in this Senate, and on the one occasion when the vote was taken, it was defeated owing to the standing order which provides that every question on which the voting is equal shall pass in the negative. When submitting that previous motion, I pointed out that this was an industry largely in the nature of a monopoly. I am now in a position to say that events have occurred here which practically constitute this industry one of the biggest monopolies in Australia. It is, in fact, part of a monopoly of world-wide extent. In the Melbourne Age of 15th March, an article appeared dealing with this question, and I think it wise to lay before honorable senators the following extracts—

It will be remembered that about three years ago the great American Tobacco Corporation, which had obtained control of the tobacco trade in the United States, turned its attention, in accordance with the usual policy of monopolistic trusts, to Great Britain. . . . This company was formed with a capital of £6,000,000, and its object, in the words of the president, was to "conquer the tobacco trade of the world," having a special eye on that of the British colonies. On 14th March, 1903, it was announced in the columns of the Age that the two Australian tobacco businesses—Dixon's Tobacco Company Limited, and W. Cameron Bros. and Co. Proprietary Limited—had been amalgamated as the British-Australian Tobacco Company Limited, with a subscribed capital of £1,500,000. A circular was issued at the time, explaining that the object of this amalgamation was to fight the American and British combination, which had declared its intention of capturing the colonial markets. "During the last few months," the circular stated, "strong indications have pointed to the fact that the attention of this company is being directed to Australia, and in order the better to meet the anticipated attack, and before wresting from Australia the control of its tobacco

industry, Dixon's and Cameron's businesses have lately been considering measures of joint action for mutual defence. Negotiations have resulted in the decision to follow in the lines of the British precedent." It was subsequently stated that the British-Australian Company (the Dixon and Cameron combination) had secured the Australian business of T. C. Williams, of Richmond, Virginia, the famous tobacco manufacturers, and the largest exporters of aromatic tobaccos to Australian States.

I may say that the correct name of this corporation is the British-American Company, as will be seen by reference to the *Age* of 16th March—

There was a second notification stating that the business in Australia of David Dunlop, of Petersburg, Virginia, the maker of the well-known Derby brand of tobacco, and the chief exporter of dark tobaccos to Australia, had also been taken over by the British-Australian Company on a hundred years lease. Towards the end of last year it was stated in our columns that a movement was on foot for consolidating certain large interests in the Australian trade. Shortly afterwards the announcement was made that J. Kronheimer Proprietary Limited, Melbourne, and W. D. and H. O. Wills (Australia), Limited, had amalgamated, under the title of Kronheimer Limited. The next move was the absorption of the National Cigarette Company by Kronheimer Limited, and the closing of the factory. Kronheimer Limited were appointed sole distributors for the American Tobacco Company of Australia, which controls a very large number of the leading brands of cigars made in Havana and Manila. They were also appointed sole agents for the David Dunlop and T. C. Williams tobaccos. The agencies of the leading brands of imported cigars and cigarettes were taken over from the old companies, and the State Tobacco Company handed over its distributing business to Kronheimer Limited. Then Messrs. Alfred Gross and Co. announced their retirement from the Australian trade, and finally the British-Australian Tobacco Company Limited passed over the distribution of its manufactures to the same concern. The result is that Kronheimer Limited controls practically the entire trade in imported tobaccos, and nearly the whole of the distributing trade in locally manufactured tobaccos. A large portion of the local cigar and cigarette trade is also in its hands. The movement started a year ago by the formation of the British-Australian Tobacco Company ostensibly to fight the British-American combination in its attempt to capture the Australian trade, has evolved into a monopolistic agency, which transacts the distributing business for both combinations, and which practically dominates the whole of the tobacco trade in Australia.

Up to the present time there has been no refutation, or attempt at refutation, of the statements contained in that article, and I take that as proof positive of the correctness of the details set forth. We know that the power to deal with monopolies effectively must rest with the Commonwealth Government. In the early history of the United

States it was held that the power to deal with trusts and monopolies rested entirely with the States Governments.

Senator DRAKE.—That is, to deal with them by way of suppression.

Senator PEARCE.—By way of suppression or regulation. It was held that that was a limitation which arose from the Constitution, but from that time onwards the Supreme Court has given a larger and increasing power to the national Government to regulate and control monopolies. Only last year we had that notable reference by President Roosevelt to the intention of his Government and of Congress to control trusts by regulation. We know that in the Courts of the United States to-day cases are being settled as the result of Congressional legislation on the question of regulating trusts. That goes to show that the Supreme Court has recognised the necessity and the advisability of conferring that power on the national Government; and to-day it is exercised, although nowhere is it to be found within the Constitution. Again, we must recognise this fact, that a monopoly of this character is a menace to the peace, order, and good government of Australia. Where you have such a complete monopoly, not only in the manufacture, but in the distribution of this article of commerce, you have a monopoly which can disturb the peace and order of the trade of the Commonwealth in this particular industry.

Senator Lt.-Col. GOULD.—Why not in other industries?

Senator PEARCE.—Because there is no other case in which one trust controls both the manufacture and the distribution of the article. We can find monopolies in the manufacturing industry and monopolies in the distributing industry of the Commonwealth; but here we have a monopoly in both classes of industry. Both the late Government of the Commonwealth and the present one proposed to introduce legislation for the purpose of dealing with trusts. I take it that in each case the Government ascertained that this Parliament has the power to regulate and control trusts.

Senator PLAYFORD.—The Constitution does not give the Government the power to manufacture.

Senator PEARCE.—The Constitution of the Commonwealth gives a larger power in that regard than does the Constitution of the United States; and when Senator Playford makes that remark, he shuts his eyes to what has been laid down by the Supreme Court of that country under a more limited

Constitution. It has been held there on numerous occasions, as the Attorney-General well knows, that if, for the purpose of providing for trade and commerce between the States, it is necessary for the national Government either to regulate the control of railways or to build railways, it has the power to take that course. The power to regulate commerce by controlling privately-owned railways has been held to give the national Government and the State Government the right to construct those railways, if they are found necessary, in the interests of trade and commerce.

Senator FRASER.—The honorable senator is over-stating the case.

Senator PEARCE.—I venture to say that the Attorney-General, who will speak for the Government, and, I suppose, oppose the motion, will not say, and cannot prove, that I am over-stating the case. I was merely speaking in general terms; but since Senator Fraser has made that interjection, I shall proceed to quote some authorities. The preamble to the grant of the legislative powers of this Parliament reads as follows:—

The Parliament shall, subject to this Constitution, have power to make laws for the peace, order, and good government of the Commonwealth with respect to—

Senator Lt.-Col. GOULD.—It is limited by the words “with respect to,” and the legislative powers are enumerated afterwards.

Senator PEARCE.—A recognised authority on Australian Federal law, and a man of high standing in the legal world—I refer to Mr. Justice Clark, of Tasmania—discusses the meaning of the phrase “peace, order, and good government of the Commonwealth” in these words:—

It cannot be contended that they are required for the purpose of giving the Parliament of the Commonwealth full power to legislate with regard to all subjects mentioned in the sub-sections of section 51; and, if they are not required for that purpose, they must inevitably encourage the contention that they are inserted for some additional purpose. But if their insertion is not intended to add in any way to the powers of Parliament in relation to the matters mentioned in the sub-sections of section 51, then they violate the canon of drafting, which requires that no unnecessary words should be used in giving expression to the intention of the Legislature. They are very properly inserted in section 52, because that section confers upon the Parliament of the Commonwealth plenary and exclusive powers in regard to the several matters mentioned in the sub-sections of that section. But their presence in section 51 tends to create a resemblance in the scope of the powers conferred by the two sections,

whereas it would be much more desirable to make the difference in the purport of each section as apparent and emphatic as possible.

The words either mean that we have the power to legislate for those purposes except where we are expressly forbidden, or except the power is expressly reserved to the States, or their insertion was unnecessary.

Senator Lt.-Col. GOULD.—We have no powers except those which are expressly conferred.

Senator PEARCE.—Let us consider the necessity for the use of these words. Would it not give this Parliament all the necessary power, would it not provide in the Constitution all the checks and safeguards which are required, if the section began in this way—

The Parliament shall, subject to this Constitution, have power to make laws with respect to—

Why was it needful to put in the words “for the peace, order, and good government of the Commonwealth”? Either they are mere surplusage, or they were put in for the express purpose of giving subsidiary powers. I think that Mr. Justice Clark has good common sense on his side when he says that they were put in for some purpose. The section goes on to empower the Parliament to legislate with respect to—

Trade and commerce with other countries, and among the States.

In order that there may be no confusion in the mind of any honorable senator, I propose to quote from Webster's dictionary the meaning of trade and commerce—

Trade means the act or business of exchanging commodities by barter, or by buying and selling for money; commerce; traffic; barter. It comprehends every species of exchange or dealing, either in the produce of land, in manufactures, in bills, or in money; but it is chiefly used to denote the barter or purchase and sale of goods, wares, and merchandise, either by wholesale or retail. Commerce means the exchange or buying and selling of commodities; especially the exchange of merchandise on a large scale between different places or communities; extended trade or traffic.

I could quote from Quick and Garran's *Annotated Constitution* several cases in which the power to regulate commerce has been held in the United States to imply the power to construct railways to promote commerce and carry merchandise. The making of tobacco for the purpose of sale is as much trade as the making of a railway for commercial purposes is commerce. I contend that if we can

show that the presence of a monopoly in this industry is a disturbance to trade. then, for the purpose of securing the peace, order, and good government of the Commonwealth, it has the power to take over the industry, and to make a monopoly of the manufacture and sale of tobacco. Under sub-section 20 of section 51 we have legislative power to deal with—

Foreign corporations and trading or financial corporations formed within the limits of the Commonwealth.

I have made that quotation because it may be said that we have no control over a foreign corporation. But it has been held that laws regulating commerce are just as applicable to foreign corporations trading within the United States as to local companies. As regards the acquisition of this monopoly, I would quote sub-section 31 of section 51, which says—

The acquisition of property on just terms from any State or persons for any purpose in respect of which Parliament has power to make laws.

That shows that we have power to acquire this land if we have power to make laws with respect to it. Under sub-section 3 of section 51 we have the power to legislate with regard to invalid and old-age pensions. That provision, I take it, implies a power to raise the money to pay the pensions. It is said in the United States that if it is necessary to regulate commerce that power carries with it a right on the part of the national Government to build railways.

Senator PLAYFORD.—Our power to build railways depends upon the consent of the States being given.

Senator PEARCE.—I am only using that as an illustration.

Senator GIVENS.—Do the Government contend that the Commonwealth has no power to engage in any enterprise?

Senator PLAYFORD.—We have no power to go beyond the bounds of the Constitution.

Senator PEARCE.—In order to be consistent, the Government will be obliged to say that they have no power to establish an arsenal for the manufacture of small arms and ammunition, or to do any work in the Federal Capital.

Senator Lt.-Col. GOULD.—That is only an implied power.

Senator PEARCE.—We can only take over the manufacture of cannon and small arms because we have an implied power; we have no express power to enter upon the

manufacture of those articles. The power of controlling the defences of the Commonwealth necessarily carries with it the subsidiary power to manufacture the necessary weapons. Under sub-section 39 of section 51, the Parliament is vested with powers even greater than any of those I have mentioned.

Matters incidental to the execution of any power vested by this Constitution in the Parliament, or in either House thereof, or in the Government of the Commonwealth, or in the Federal Judicature, or in any department or officer of the Commonwealth.

Senator Lt.-Col. GOULD.—That does not extend our legislative powers.

Senator PEARCE.—Clearly it gives us the power, in order to deal with this monopoly for the peace, order, and good government of the Commonwealth, to step in and say that it shall be conducted by the Government.

Senator PLAYFORD.—It can be dealt with as has been done in the United States, by making a law against combines and trusts.

Senator PEARCE.—That law has failed miserably. I would remind the honorable senator of President Roosevelt's notable saying to the coal-owners—"If you do not arbitrate I shall bring in a Bill to nationalize coal mines." Was he merely using an empty phrase, or did he know that he had the implied power to nationalize the industry? If he had not that implied power, would not his political opponents have made capital out of his ignorance, and make him look ridiculous in the eyes of the nation?

Senator PLAYFORD.—Very possibly he made use of those words as a threat, but the chances are that he could not have carried it out.

Senator PEARCE.—The threat has been discussed very widely by journals and reviews in the United States, and never in one instance has the power of the Federal Government to nationalize the coal mines been challenged. If the Government of the United States, with their more limited Constitution, have that power, it is very good ground for assuming that we also have the power. In connexion with the question of the express powers given in the Constitution, I should like to quote an authority that I think will impress Senator Fraser. I refer to Professor Harrison Moore, whose name will be well known to the honorable senator, and whom, I think, he will recognise as an authority who is worth listening to.

Dealing with the powers of the Commonwealth, in regard to the construction of railways and so forth, Professor Harrison Moore says—

In the United States it has been contended, and is apparently now established, that the commerce power of Congress includes as an incident the authorization and execution of all manner of works for facilitating Inter-State and foreign commerce, including the construction of roads, railroads, bridges, and canals. This is very much more than the general power of appropriating money for the general welfare where the objects of expenditure remain under State laws; it is a Federal power in which the Federal law prevails, notwithstanding the obstacles of State law.

The same writer, dealing with the ample powers of our own Constitution, says—

The Constitution establishes many things "until the Parliament otherwise provides." This article is equivalent to a declaration that in such a case the Parliament shall have power to provide from time to time for the matters in question—that its power over the matter is not exhausted by a single provision.

Then Professor Harrison Moore quotes another power of the Federation—

Matters incidental to the execution of any power vested by this Constitution in the Parliament or in either House thereof, or in the Government of the Commonwealth, or in any department or officer of the Commonwealth. Of the corresponding provision in the Constitution of the United States Judge Cooley says:—"The import of the clause is that Congress shall have all the incidental and instrumental powers . . . to carry into execution all the express powers. It neither enlarges any power specifically given, nor is it a grant of any new power to Congress; but it is merely a declaration for the removal of all uncertainty that the means for carrying into execution those otherwise granted are included in the grant."

The Government claim to have the power to deal with trusts. I would ask the Vice-President of the Executive Council where they get that power from? Can he show me a section of the Constitution which expressly gives it to them?

Senator PLAYFORD.—We have it just as the Government have it in the United States.

Senator PEARCE.—The Government have it, I presume, under the sub-section which gives them authority to make laws for the "peace, order, and good government of the Commonwealth."

Senator PLAYFORD.—No; we have it under the sub-section with regard to the regulation of trade and commerce.

Senator PEARCE.—If it is necessary to regulate trade and commerce with respect to the manufacture of an article, it may also be declared to be necessary for the Government to conduct the manufacture and

sale of that article itself. Another point is, that we have supreme powers in matters of taxation. Sometimes we are apt to give a very narrow interpretation to the word "taxation." But what is meant by it? Professor Harrison Moore, commenting upon our Constitution, points out that—

"Taxation" is adopted as being the most comprehensive word for describing all the various means of raising a revenue. "In the broadest sense an exercise of the taxing power occurs whenever a compulsory contribution of wealth is taken from a person, private or corporate, under the authority of the public's powers."

He quotes that last passage from Carl Plehn, on *Public Finance*, and he goes on to say, in his own comments—

The practice of enumerating more particularly the modes of revenue (as in the United States Constitution—"Taxes, duties, imposts, and excises") is one which a very slight acquaintance with English history condemns.

He condemns the contention that that exhausts all that is meant by the word "taxation," and he holds that the whole matter of the raising of money in any form by the Government is covered by the word.

Senator PLAYFORD.—Then the Government might carry on the business of a butcher, and sell meat.

Senator PEARCE.—My contention is that by the Federal Constitution several express powers are conferred upon the Federal Government, and that there are also several implied powers for the purpose of carrying those others into effect. There are some powers which can be exercised by the States and the Federal Government in conjunction, and there are other powers which can be exercised only by the States. For instance, we could not take over the management of the Mines Departments of the various States, because they are reserved to the States themselves. We could lease a mine from a State, but we could not take over the control of mining legislation. Neither could we take over the lands of the various States. Land legislation is reserved for the States. But here, I contend, is a domain that has not been touched by the State authorities. There is no State in the Commonwealth which attempts in any way to control the tobacco monopoly. There is no State which attempts even to licence its control.

Senator FRASER.—The States could do so if they liked.

Senator PEARCE.—I am doubtful as to whether they could.

Senator PLAYFORD.—The States could manufacture tobacco and cigars.

Senator PEARCE.—In taking over these powers we should not be interfering with any powers which the States have exercised.

Senator PLAYFORD.—But we should be depriving the States of their right to manufacture tobacco and cigars which they have at present.

Senator PEARCE.—There is a sentence from a writer on the United States Constitution, Ashley, which I will quote. It reads—

No one in our days denies that the United States Government has the right to supplement the powers expressly stated in the Constitution, by such means as are reasonable and wise, to carry out these powers.

Senator FRASER.—The United States is a very much older country than Australia. We have not had time to grow.

Senator PEARCE.—We have to commence to grow, and this would be a very good and profitable commencement to make. It would be grappling with a monopoly that threatens to be a serious public danger to the Commonwealth. In dealing with monopolies I adopt the definition given by Mr. H. C. Adams in his work entitled *The Relation of the State to Industrial Action*. He defines an industrial monopoly as follows:—

An industrial monopoly may be defined as a business superior to the regulating control of competition.

If we apply that definition to the present position of the tobacco trade, it will be seen that it fits the case very well. I will guarantee that if any one went into any city in Australia, with the intention of starting a retail tobacco shop, he would find that he would first of all have to get the consent of Messrs. Kronheimer and Co. Limited. Senator Playford shakes his head, but I know that what I have stated occurred in the city of Melbourne within the last fortnight.

Senator PLAYFORD.—Such a thing has never taken place in Adelaide.

Senator PEARCE.—But it will take place. The agreement to which I allude was only completed on the 16th of last month. This monopoly has issued a circular, which I will read—

Dear Sir,

We have pleasure in enclosing for your information revised price list of our Melbourne manufactured tobaccos. Arrangements have been completed with Messrs. Kronheimer and Co. Limited, agents for the sale of this company's goods in all the States of the Commonwealth, and we shall be pleased by your placing all orders for our tobaccos with them. It is our intention, with the assist-

ance of, Messrs. Kronheimer and Co. Limited, to insist upon the list price being strictly observed by all sections of the trade, and we look for your co-operation in this matter. Whilst gratefully acknowledging the support you have accorded us in the past, we rely on your able assistance in the future distribution of our manufactures.

This control of prices by Kronheimer and Co. Limited means that they have power to say to every retailer of tobacco what price he shall pay, what price he shall charge his customers, and what amount of profit he shall have to make his living from.

Senator GRAY.—That is common to manufactures all over the world.

Senator PLAYFORD.—Have the trust raised the price of tobacco and cigars?

Senator PEARCE.—Yes, in several cases.

Senator PLAYFORD.—They have not raised it to me, and I have been buying tobacco ever since I was a boy.

Senator PEARCE.—This trust can say to the retailer—"You must buy your tobacco from me, and sell it at a certain price." In other industries the retailer can say—"I will go over the road and buy from another firm." But under this tobacco monopoly the retailer has no such opportunity. There is no other firm in the world that will sell to him.

Senator GRAY.—That is to say, that will sell the goods of this company.

Senator PEARCE.—No; that will sell any manufactured tobacco. The monopoly is in league with the British-American Company; the British firms are in league with the American monopoly; and the Australian company is a subsidiary branch of that monopoly. If a retailer refuses to buy from the local monopoly, and turns to British firms, they will refer him at once to the monopoly which has the control of the trade in Australia. If he turns to the American trade, he will again be referred to the Australian trust. Therefore, in the matter of prices, the retailer is completely in the hands of a world-wide monopoly. Cannot this be said to be an interference with the trade of the Commonwealth?

Senator PLAYFORD.—No more than was the case with respect to reapers and binders.

Senator PEARCE.—I do not say that it is any more so, but it is quite as much.

Senator GRAY.—The same thing was done in Sydney with reference to the maize market. The holders of maize rigged the market, and one could not get a grain of maize except at their price.

Senator Lt.-Col. GOULD.—We can deal with that kind of thing by legislation.

Senator PEARCE.—That is exactly what I propose. I propose that we shall deal with it by drastic legislation. Temporary patchwork legislation has been tried in the United States—first of all by the States individually, and then by the national Government—and has miserably failed.

Senator PLAYFORD.—No, look at the last reports.

Senator PEARCE.—In spite of the last reports, the trusts in the United States are as strong and as vigorous as ever, and are going on with their disastrous work.

Senator PLAYFORD.—Some of the trusts have been of benefit to the consumer.

Senator PEARCE.—The only way effectively to deal with these trusts is to take them over. President Roosevelt recognised that when he came to reckon with the coal trust and the steel trust; and no less a personage than ex-Senator Reid, who came in contact with the shipping trust, in speaking before the Melbourne Chamber of Commerce, said, Conservative as he was, that he had been led to the opinion that the only way to grapple with these trusts was by the nationalization of their industries. He said, also, that if these trusts did not soon mend their ways the Government would have to take into serious consideration the question of the nationalization of the carrying trade between Australia and the old world. There comes a time when a trust reaches such a magnitude that it has the well-being of the people of the country within its grasp, and then it becomes imperative on them to insist that its industry shall be made a national one. I contend that that is already the case with the tobacco trust. This trust can say to any retailer—"We will not allow you to make a living." It can say—"We will not permit you to extend your business," or "We will prevent you from entering into competition with a business that has already been started." It can prevent that kind of competition which is alive in every healthy industry in the world. When that happens, I contend that it is time for this Commonwealth to take action.

Senator PLAYFORD.—Hear, hear; when it comes to that point.

Senator FRASER.—A trust is only a trades union after all, and the honorable senator believes in trades unions.

Senator PEARCE.—I do. I believe that trades unionism will lead eventually to the

just solution of industrial problems; and, on the other hand, the trusts are going the right way to lead to their solution in another direction. We have in this tobacco monopoly in Australia a method by which a foreign corporation, to all intents and purposes, levies taxation on the people of Australia.

Senator WALKER.—The people need not consume tobacco unless they like.

Senator PEARCE.—Well, smoking has become almost a necessity. When a luxury is so generally indulged in as smoking is, it may be said to have become practically a necessity of our civilization.

Senator Lt.-Col. GOULD.—Some get on very well without it.

Senator PEARCE.—I do not find it to be a necessity myself. I manage to live without tobacco. But smoking is a general habit, and my contention is that by its means this tobacco monopoly levies taxation wholesale upon the people of the Commonwealth. I therefore affirm the principle that the Commonwealth, having the power to levy taxation, has the right to step in and say that this foreign corporation shall be stopped from levying any further taxation upon the people of Australia, and that the revenue which is being raised by it, the enormous profits which are now going into the pockets of foreign shareholders, shall go into the Treasury of Australia. I have no objection to people paying a high price for tobacco and cigars, provided that the difference between the cost of manufacture and the selling price goes into the public Treasury. But I am satisfied, and I think I shall satisfy the Senate, that there is a tremendous margin of profit in the difference between the cost of manufacture and the sale price which the public pay, which is now going into the pockets of the foreign shareholders in this monopoly.

Senator FRASER.—That is true, no doubt.

Senator PEARCE.—It is for this Parliament to see that this taxation goes where it ought to go—into the public Treasury. The figures which I shall quote have been carefully worked out by myself, and have been revised by members of the tobacco trade, who are in a position to know the actual state of the case. They know the cost of the manufacture of cigars and tobacco. The figures have been also carefully revised in the light of evidence which was given before the Select Committee of the Victorian Parliament by tobacco manufacturers, importers of cigars, makers of cigars and cigarettes, and retailers. That Committee

reported in 1896. I have dealt with the importation and local manufacture of tobacco in Australia in the year 1903, and I shall assume that the Commonwealth takes over the industry and carries it on for the present on its existing basis—that is to say, that the Commonwealth manufactures tobacco, cigars, and cigarettes of a weight equivalent to those now manufactured, and that it imports as much as is now imported. I wish to show the profit which could be, and would be, derived by the Commonwealth if the system were adopted.

Senator FRASER.—The profit would soon disappear if the Commonwealth took over the industry.

Senator PEARCE.—I may tell the honorable senator that I have made allowance for one factor in my computation. I have allowed that instead of paying sweating wages to the operatives, we shall pay them fair wages.

Senator GRAY.—The Arbitration Court will deal with that, will it not?

Senator PEARCE.—There is no Arbitration Court in some of the States of Australia. I may say that manufacturers in Victoria, where there was a wages board, shifted the scene of their operations to South Australia in order to avoid the payment of a fair wage.

Senator DE LARGIE.—The same thing happened in Western Australia.

Senator Lt.-Col. GOULD.—It has not been done in New South Wales, where there is a big tobacco industry.

Senator PEARCE.—I admit that the industry is still being carried on in New South Wales. Taking 3,889,618 lbs. as the quantity of locally manufactured tobacco, and estimating the cost of material at 8d. per lb., and the cost of manufacture at 8d. per lb., the total cost is £259,307. I have estimated the allowance to retailers at 15 per cent., or £203,235, and this, added to the cost of manufacture, gives a sum of £462,542. The sale of that quantity of tobacco at an average price of 6s. per lb. would realize £1,166,885, from which, of course, we have to deduct the cost of manufacture and sale, leaving a profit of £704,343.

Senator Lt.-Col. GOULD.—People will not give 6s. per lb. for tobacco made out of leaf costing 8d. per lb.

Senator PEARCE.—I am taking the average price of both leaf and manufactured tobacco. A quantity of leaf is sold in Australia at 3d. per lb.

Senator Lt.-Col. GOULD.—But the tobacco made from such leaf is not worth 6s. per lb.

Senator PEARCE.—By taking the average price of the leaf at 8d. we get an average value of 6s. per lb., some tobacco selling as high as 8s. 4d. and 9s. per lb.

Senator Lt.-Col. GOULD.—But the latter is not made out of colonial leaf.

Senator PEARCE.—Locally manufactured tobacco made from leaf bought at 2d. per lb. is sold at 3s. and 4s. per lb. The quantity of locally-manufactured cigars is 109,806 lbs., and allowing 15 lbs. per 1,000, this represents 7,320,000 cigars. The average cost of manufacture at 50s. per 1,000, including leaf, labour, &c., is £18,300, and allowing 15 per cent. commission to retailers, or £10,080, we find the total cost of manufacture and sale to be £29,280.

Senator Lt.-Col. GOULD.—Is the honorable senator deducting the Excise?

Senator PEARCE.—I shall deduct the Excise and Customs from the total receipts afterwards. If these 7,320,000 cigars were sold at an average of £10 per 1,000, they would realize £73,200, which, less the cost of manufacture and commission to retailers, shows a profit of £43,920. The locally-manufactured cigarettes amount in weight to 516,935 lbs., that is on a basis of 2½ lbs. to the thousand, and this represents 207,000,000 cigarettes. If we average the cost of manufacture at 5s. per 1,000, or £51,750, and the retailers' profits at 15 per cent., or £54,330, we have a total cost of £106,080. Taking the average sale price of these cigarettes at 35s. per 1,000, we have the return of £362,250, which, when the cost of manufacture and sale is deducted, shows a profit of £256,170. To summarize the figures which I have just laid before the Senate, we are shown a profit on the local manufacture of tobacco of £704,343; on cigars, of £43,920; and on cigarettes, of £256,170, or a grand total of £1,004,433. The imported tobacco amounts to 3,537,508 lbs., which, sold at 6s. per lb., realizes £1,061,251. To purchase the quantity of tobacco annually imported at 1s. 7d. per lb., we should require £330,052, and retailers' profits at 15 per cent., would absorb £159,170, showing a total cost of £489,222. When that total cost is deducted from the gross receipts, there is a net profit of £572,029. Of imported cigars there are 40,438,000 sold, and these, allowing 15 lbs. to the

thousand, and a sale price of £15 per 1,000, mean receipts amounting to £606,570. To purchase these cigars at £4 18s. 9d. per 1,000—which was the declared value of the cigars imported into Victoria in 1903—would require £199,156, while retailers' profits at 15 per cent. would absorb £90,975, showing a total cost of £290,131. When the cost of production and sale is deducted from the gross receipts a net profit of £316,439 is shown. The imported cigarettes total 97,078,000, and at 45s. per 1,000, realize £218,425. To purchase these cigarettes at 15s. per 1,000 would require £72,808, while retailers' profits would absorb about 15 per cent., or £32,760, showing a total cost of £105,568. When we deduct the total cost from the gross receipts we see that there would be a profit of £112,857. A summary of these figures relating to imported tobacco, cigars, and cigarettes shows that the profit on the tobacco would be £572,029, on cigars £316,439, and on cigarettes £112,857—a total of £1,001,325. Adding to this sum the net profits on the locally manufactured articles, we have a grand total profit of £2,005,758. From this profit of £2,005,758 we have to deduct Customs and Excise to the amount of £1,332,304.

Senator PLAYFORD.—The figures supplied to me show that the Customs and Excise duties amount to £1,370,533.

Senator FEARCE.—But I am deducting the cost of collection, which I put at 3 per cent. When an allowance is made for this charge the national monopoly in tobacco shows a net profit of £673,454.

Senator PLAYFORD.—When the honorable senator last dealt with this question he placed the net profit at £700,000 odd.

Senator PEARCE.—We have to remember, however, that the local manufacturers must be compensated for the loss of their business; and from estimates in my possession I place the amount required under this head at £1,000,000. To provide interest and sinking fund on the amount at 4½ per cent. would require £45,000 annually, and if that be deducted from the profit I have already shown, we have an absolutely clear net profit of £628,454 to the Commonwealth. I contend that that amount, together with the surplus revenue now returned to the States, would be sufficient to pay old-age pensions throughout the Commonwealth. At the present time about £600,000 of surplus revenue is returned to the States, and that added to the

profits of the tobacco monopoly, would give about £1,200,000, which is exactly the amount which Mr. Coghlan estimates as requisite to pay an old-age pension to every person over sixty-five years of age who has been fifteen years within the Commonwealth. In short, by using the surplus, which we have a right to use, but which we now return to the States, the Commonwealth Government could, by the means I have indicated, obtain sufficient money to pay old-age pensions throughout the Commonwealth, not on the Victorian, but on the New South Wales basis. This national monopoly of tobacco is no new experiment; and there are means by which we may check the figures which I have laid before the Senate. In France there has been a national monopoly in tobacco for over 100 years, and from *Coghlan* we can ascertain the average consumption per head, cost of production, and selling price in that country and Australia respectively, and thus arrive at the revenue which would be received in Australia.

Senator Lt.-Col. GOULD.—What are the wages paid in France?

Senator PEARCE.—I have allowed for a greater cost of production in Australia.

Senator DE LARGIE.—The price of tobacco is very much higher in Australia than in France.

Senator PEARCE.—In France, with a population of 40,000,000, which consumes 2 lbs. of tobacco per head, at an average price of 3s. 10d. per lb., and an average cost of production at 9d. per lb., there is a profit of 3s. 1d. per lb., and a net revenue of £15,000,000.

Senator PLAYFORD.—In what year was that?

Senator PEARCE.—I am giving the latest figures available, which are, I believe, for the year 1902. In Australia, with a population of 4,000,000, which consumes 2½ lbs. of tobacco per head, sold at an average of 6s. per lb., and with an average cost of production of 2s. per lb., there should be an annual revenue of £2,000,000. Senator Gould will notice that while the cost of production in France is 9d. per lb., I estimate the cost under that head at 2s. per lb. in Australia, and the revenue of £2,000,000 is practically that at which I arrived working on another basis.

Senator DE LARGIE.—Has the honorable senator obtained the opinions of practical men as to the cost of manufacture in Australia?

Senator PEARCE.—I have obtained the opinions of practical men in all the branches

of the trade in which they are making their living, and they confirm the figures which I have laid before honorable senators. Another country affords a comparison, which, though not so useful, still shows that I am not far out in my calculation. In Roumania, where there is a population of 5,500,000, the Government derive a revenue of £1,500,000, principally from the manufacture and sale of cigarettes, and in Portugal, where there is a population of 4,500,000, and a much smaller consumption per head than in Australia, the revenue is £1,600,000.

Senator PLAYFORD.—The Commonwealth Government at the present time derive £1,300,000 from Customs and Excise.

Senator PEARCE.—But the consumption in Portugal is only about three quarters of a lb. per head as compared with a consumption in Australia of 1 lb. per head, and this, combined with a higher selling price here, would seem greater revenue. I have in my hand a report of a Select Committee of the Victorian Legislative Assembly on the subject of the national monopoly in the tobacco trade, and I find that that Committee were distinctly favorable to the course which I am advocating. In their report the Committee say:—

Your Committee are of opinion that, amongst other advantages likely to be derived from the establishment of a State monopoly in the manufacture of tobacco in Victoria, are the following:—Increased revenue; better quality of tobacco to consumers; encouragement to Victorian farmers to grow tobacco; and increased employment to the people. . . . The success of a State monopoly would hinge to a great extent upon the cost of production. In this regard your committee consider that the State could import as cheaply as private firms the special brands of cigars, &c., favoured by consumers.

Senator DE LARGIE.—Can the honorable senator give us the amount of capital invested in the tobacco industry in France?

Senator PEARCE.—I have not the figures on that point, but since I first addressed myself to this question, I have received a number of letters from European tobacco growers in Victoria and New South Wales, assuring me that they are wholly in the hands of the tobacco combine, and can only obtain a price which renders the growing of tobacco unprofitable. The reason for this is stated to be that the tobacco combines do not want to see the manufacture of the local leaf extended. The Wangaratta, King River, and other growers' associations have passed resolutions urging the Government to nationalize the industry, pointing out that under the

present system they cannot obtain a price to enable them to grow successfully. They are of opinion, however, that if they were paid the same price that is given for American leaf, they could make a profit; and there are thousands of acres in Australia which are suitable for the growth of tobacco, but which at the present time cannot be put to this most profitable use.

Senator DOBSON.—Is not the tobacco made wholly from Australian leaf very inferior?

Senator PEARCE.—Tobacco made wholly from Australian leaf is to a certain extent inferior, but that is very largely owing to the fact that in Australia growers have not been sufficiently educated to thoroughly understand the process of curing. Honorable senators will remember that a few years ago Australian butter was a disgraceful production, and would not have realized a profitable price in any of the markets of the world. However, owing to the encouragement given to the industry, and the scientific knowledge extended to butter makers and farmers, Australian butter is now as good as that produced in any part of the world.

Senator DE LARGIE.—And the same would be the case with tobacco. Western Australian leaf has sold at a price as high as 2s. per lb.

Senator PEARCE.—At the present time Victorian leaf is sold in the London market.

Senator Lt.-Col. GOULD.—New South Wales growers cannot get 2s. per lb.

Senator PEARCE.—That is because of the tobacco combine.

Senator Lt.-Col. GOULD.—The trouble is that the Australian growers have not yet produced the right class of article.

Senator PEARCE.—Australian growers have not yet grasped the proper process of curing, but some growers, who have made a study of the question, have produced leaf equal to that to be found in any part of the world. The encouragement offered, however, is not sufficient, seeing that, no matter how well cured the leaf may be, there is only the one unprofitable price offered by the combine.

Senator Lt.-Col. GOULD.—I know that in New South Wales efforts have been made to encourage the production of high-class leaf, but, unfortunately, without success.

Senator PEARCE.—Not by the tobacco combine.

Senator Lt.-Col. GOULD.—By a tobacco company.

Senator PEARCE.—And that tobacco company, I suppose, has now been engulfed by the combine, and has ceased to carry on its philanthropic work. Growers assure me that, so far from receiving encouragement, they receive discouragement from the tobacco combine. I feel confident that under the Constitution we have power to deal with this matter. I propose to have a Select Committee to confer with a similar Committee from the other House, and report as to the best method of carrying the motion into effect.

Senator Lt.-Col. GOULD.—Would it not be best to simply move that a Select Committee be appointed to inquire into the whole question, instead of first making an affirmation?

Senator PEARCE.—It is very likely that the Government will contend that we have not the power to carry out this motion; but if we have not power now—which I do not admit—I contend that it is advisable for a Select Committee to point out how we may obtain control of the trade. There are two ways—one, by an alteration of the Constitution, and the other by asking the States Governments to give us the power. I am not at all afraid that the States Governments would refuse the request, but, on the other hand, believe that they would readily grant it, seeing that they do not, and cannot, effectively exercise such a power themselves. In many of the States, in order to pay old-age pensions, it will be necessary to resort to direct taxation; this, for instance, will very probably be the case in Western Australia. I believe the States Parliaments would willingly extend the desired power to the Commonwealth, if it were understood that the proceeds of the monopoly were to be ear-marked for the payment of old-age pensions. I am dealing with the question as a layman, and I therefore do not presume to say whether we have the power, but the committee I suggest could take legal opinion on the subject; and if it is found that we have not the power, they could recommend the course we should adopt to secure it.

Senator Lt.-Col. GOULD.—That could be done just as well if the committee were appointed to inquire into the whole question, without the Senate being asked to specially affirm anything.

Senator PEARCE.—I am satisfied with the proof that a monopoly exists, and with the proof that a profit can be derived from carrying on the business. What I ask is that we should say, by adopting my motion, that it is advisable for the Commonwealth to take over this monopoly, and we should ask a committee to discover whether we have the necessary power, and to suggest the best means for carrying the motion into effect. I thank honorable senators for the attention with which they have listened to me, because I recognise that the subject is a dry and, perhaps, uninteresting one. I hope that the motion will be carried.

Senator PLAYFORD (South Australia—Vice-President of the Executive Council).—We always listen with very great pleasure to Senator Pearce. Whenever the honorable senator brings a subject under our notice he makes it evident that he has taken pains to master it, and his remarks are exceedingly interesting and instructive. This is the second occasion on which I have listened to the honorable senator on this question. In the last Parliament he moved—

That in the opinion of the Senate it is advisable that the manufacture of tobacco, cigars, and cigarettes should be a national monopoly.

The honorable senator now submits his motion in three separate paragraphs, in which he asks the Senate to affirm the desirability of doing what he proposes; of appointing a joint Committee of both Houses to give advice as to the best means of giving effect to it; and of setting aside the revenue derived from the monopoly to meet the expenditure required for old-age pensions, and for other purposes. I think the honorable senator would have been better advised if he had asked the Senate for a Select Committee to inquire into the whole subject. He has asserted first of all that a monopoly exists in this business at the present time. His next assertion is that the existence of that monopoly is absolutely injurious to the people of this community. The only way in which the operations of a monopoly are likely to be injurious to a community is by bringing about an increase in the price of the article affected.

Senator MCGREGOR.—It may be injurious also if the price is not reduced as much as it ought to be.

Senator PLAYFORD.—So far as I know, no increase in the price of tobacco has taken place, and that being so, I cannot see how the honorable member proves that the monopoly is injurious to the public.

Senator DE LARGIE.—There are other interests besides those of the consumer.

Senator PLAYFORD.—That is only a way of avoiding the question. If the people who create a monopoly dip their hands into the public purse and take from it money which was not taken from it before, they will be doing an injury to the public. If they charge the public no more than the public were accustomed to pay before the existence of the monopoly, how can it be said that it is a disadvantage to the public? The honorable senator must prove that it is. He has made certain assertions; he has quoted certain statements which have appeared in print; and he has quoted from a circular issued by some firm giving a price list, and announcing the appointment of some person as the agent of the firm. But all this does not prove that a monopoly exists. What is done here is done all over the world in connexion with articles which are largely manufactured. A manufacturing firm in England appoints an agent for the Colonies, and sends out circulars saying that this person is their agent, and submitting a certain price list. These price lists are much better than the miserable salted invoices which used to be issued by wholesale houses, and by which people were deceived. It is to the public interest that there should be fixed prices for an article, but, so far as I know, the existence of a monopoly in this business has not been proved.

Senator DE LARGIE.—Does the honorable senator deny that there is a tobacco trust in Australia?

Senator PLAYFORD.—I deny nothing, because I have not positive knowledge. What we require to do is to appoint a Select Committee to take the evidence of witnesses to prove whether there is a monopoly, and whether its operations are injurious to the public. Monopolies are not necessarily injurious to the people of any community. One of the best known monopolies is that of the Standard Oil Company of America. That company has an unmistakable monopoly, but it has lowered the price of oil to the consumer, and its operations have not resulted in any disadvantage to the community. Where a number of manufacturers are working in a small way with imperfect machinery, they must charge a considerable price for the articles which they manufacture, when, if by

combination they can cheapen the process of manufacture, they are able to reduce the price to the consumer. The Government have not considered this particular question, because it is not yet ripe for consideration. I am therefore only giving my personal views on the subject of monopolies. I believe that all absolute and unquestionable monopolies, such as gas, water supply, tramways, and markets, should be in the hands of municipalities, whilst other unmistakable, and, to a certain extent, injurious monopolies, should be controlled by the Government. I am not personally opposed to the Commonwealth taking over a business of this kind if it can be shown that it can be done with profit to the Government and advantage to the public. In this case we require further information as to the probable results of the action suggested by Senator Pearce. With respect to the profit which the Commonwealth would be likely to receive from the control of this monopoly, the honorable senator last session told us that it would amount to £750,000 per annum. He has to-day, with the advantage of better information, reduced that estimate by nearly £100,000. I shall proceed to show, from the evidence given by an expert before the Victorian Commission, that the honorable senator must still be very far wrong in the estimate of profit which he submits. Mr. Bruford, an officer of the Victorian Customs Department, and an expert in this business, was asked by the Commission to make a statement showing what the State of Victoria would receive if the Government conducted this manufacture. I do not propose to read the whole of the report which this gentleman made, but I call the attention of honorable senators to it in order that those who take an interest in the question may learn the opinions he held on this subject. He admits that it is exceedingly difficult to arrive at a satisfactory conclusion as to what the profit would be. He says that there is a good deal of guess-work in connexion with it, but he is in a position to make a very fair guess, and he believes that if the State of Victoria took over the manufacture and importation of tobacco the Government could make a profit of £55,000 on the business. When I came to inquire into details, as I tried to do, I found that Senator Pearce, in the speech he made last session, reckoned that the Commonwealth could sell tobacco at an average price of 6s. per lb. When the

statement was made I interjected that the honorable senator must be mistaken, because I could buy the best Virginian tobacco at 5s. per lb. How, in the sale of the finer, as well as of inferior, sorts of tobacco, the honorable senator could contend that an average price of 6s. per lb. could be obtained; I could not see. What does this expert say as to the price at which the Victorian Government could sell tobacco to the consumer? He estimates that the average selling price of imported tobacco would be 4s. 7d. per lb., whilst the average selling price of Victorian manufactured tobacco would be 3s. 6d. per lb. It will be seen that if the profit were reckoned on the average prices given by Mr. Bruford, a fearful hole would be made in the estimate of profit submitted by Senator Pearce. The honorable senator's estimate of £750,000 a year has shrunk on this occasion by about £100,000, but honorable senators must see that the profit could not be anything like what the honorable senator imagines it would be. If we accept the view of Mr. Bruford, and take the profit to be derived in Victoria at £55,000, that to be derived in New South Wales at another £55,000, and make a similar estimate for the other and smaller States, we shall see that there would be a total profit of £165,000 for the whole Commonwealth. If we allow a big margin, and say that the profit would be £200,000, that is still very much below the estimate of over £600,000 submitted by Senator Pearce.

Senator MCGREGOR.—It would still be a very good annual income.

Senator PLAYFORD.—We require evidence to prove the assertion made by the honorable senator. I have no doubt he has gone into the question with very great care, but he has unquestionably made a mistake in this matter. He says that the average price at which tobacco could be sold by the Commonwealth would be 6s. a lb., whilst the expert who gave evidence before the Victorian Commission believes that the average selling price of imported tobacco would be 4s. 7d. a lb., and of locally manufactured tobacco 3s. 6d.

Senator HENDERSON.—Did the honorable senator ever take the trouble to assure himself that he got a pound of the best Virginian tobacco for 5s.?

Senator PLAYFORD.—I did not take the trouble to weigh it.

Senator HENDERSON.—The honorable senator got four plugs.

Senator PLAYFORD.—No; I buy it by the $\frac{1}{4}$ lb., and I get three sticks for 1s. 3d.

Senator HENDERSON.—If the honorable senator has not assured himself, it is possible that the nominal price of 5s. per lb. more nearly approaches an actual price of 6s. per lb.

Senator PLAYFORD.—There are State laws dealing with persons who do not give proper weight, and I suppose they are administered. I admit that I have never taken the trouble to weigh the tobacco I have bought. I know that tobacco may be made very heavy or very light. If a slice of potato is put into a tin of cut-up tobacco it will absorb the moisture in the potato, and will then weigh considerably more than it did before, whilst if tobacco is kept in an exceedingly dry place it will become very hard and very light. Before we commit ourselves to a statement that it is desirable that the Commonwealth should take over this business we should be satisfied that it is at present a monopoly, and that it is injurious to the community. Unless that can be shown we have no right to interfere. Then if we are to take it over we should know whether the profit derived from it is likely to be considerable or very small. I come now to the most important phase of the question, and that is whether we have any power to take over the manufacture of cigars, tobacco, and cigarettes. Honorable senators will recollect that last session a Royal Commission, of which Mr. Kingston was chairman, was appointed to report on the Bonuses for Manufactures Bill. I have here the report of that Commission which dealt with the iron, galvanized iron, zinc, and wire netting manufactures. The Commission took evidence in connexion with the manufacture of iron by private individuals under a bonus system. They considered the question of whether the States or the Commonwealth should undertake the manufacture of iron. When the question of the Commonwealth doing so came up, Mr. Kingston very properly asked the Attorney-General of the day, the present Prime Minister, whether, under the Constitution, the Commonwealth had the necessary power. I will read what Mr. Deakin had to say on the subject, reminding honorable senators that the

question was exactly upon all-fours with that introduced by Senator Pearce in the motion he has submitted. Mr. Deakin wrote—

Dear Mr. Kingston,—

You ask for my opinion, for the information of the Bonus Commission, as to the powers, if any, of the Commonwealth to establish iron works.

In my opinion, no such power is included in the express gift of legislative power to the Federal Parliament.

The trade and commerce power, vast though it is, does not appear to extend to production and manufacture—which are not commerce.

Senator Pearce laid great stress on the amplitude of our powers relating to trade and commerce, and he read opinions with regard to them which he tried to construe into meaning that they cover manufacture, but which, so far as I could follow them, referred only to the power to regulate trade and commerce in order to prevent abuses. Mr. Deakin further wrote—

Commerce only begins where production and manufacture ends. (See *Kidd v. Pearson*, 128, U.S., 1, 20). Moreover, the fact that the trade and commerce power is limited to external and Inter-State trade and commerce indicates that the power which the States undoubtedly possess to undertake Government industries within their own limits is not shared by the Commonwealth under this sub-section.

Under sub-sections 1, 2, and 3, taken together (trade and commerce, taxation and bounties) the authority of the Commonwealth over industrial development is of the largest; but though it allows of control, regulation, and guidance, it in no respects points to direct establishment or management of any industries. Nor can I find in any other part of the Constitution any express authority for the course suggested.

The implied powers of legislation remain to be determined, but include (under sub-section 39, of section 51) matters “incidental” to the exercise of the express powers.

The manufacture of iron may be incidental to the execution of many such powers, e.g., defence, or the construction of railways. The Commonwealth might clearly undertake the manufacture of any goods for its own use; and probably if it did so, and it were incidentally advantageous to the interests of the economical working of the undertaking, that it should also manufacture for other consumers, such manufacture would also come within its implied powers. Except as above, it does not appear that any power to establish and conduct manufactures can be implied from the Constitution.

When Senator Pearce gave notice of his motion this session, I was not aware that an opinion had been given by the late Attorney-General; and as I wished to reply to his speech I asked the present Attorney-General to favour me with his opinion on the question of whether the Commonwealth had the power to manufacture tobacco, as desired by the mover of this motion.

Senator Playford.

Senator DE LARGIE.—The opinion of the late Attorney-General is not very definite; he does not seem to be sure of his ground.

Senator PEARCE.—He says that there is a probability.

Senator PLAYFORD.—Did my honorable friends ever know a lawyer to tie himself in a knot if it could be helped? If it is at all possible a lawyer will always leave a loop-hole of escape for himself. The late Attorney-General believes that the Commonwealth has not this power, and the present Attorney-General has favoured me with his opinion in these words:—

You ask me—“Has the Commonwealth power to establish the manufacture of tobacco, cigars, and cigarettes, close all present establishments, and prevent private persons in future manufacturing such articles?”

This question appears to me to be governed—with the exception mentioned below—by the opinion given by Mr. Deakin on 18th July, 1903, to Mr. Kingston, the President of the Royal Commission on the Bonuses for Manufactures Bill, in connexion with the establishment of iron works by the Commonwealth. The text of that opinion is printed on page 184 of the report of the Commission.

With that opinion I entirely agree. The only difference between the iron industry and the tobacco industry, so far as regards the principles there laid down, seems to be that it is not easy to conceive how the manufacture of tobacco, cigars, and cigarettes can be incidental to the execution of any of the express legislative powers of the Commonwealth.

Here we have the opinions of two lawyers on this subject, that the Commonwealth has not this power.

Senator PEARCE.—Neither of them is definite.

Senator PLAYFORD.—My honorable friend will have to admit that the question is in doubt.

Senator PEARCE.—Yes.

Senator PLAYFORD.—Does the honorable senator not think that the best course for him to adopt in the circumstances would be not to press the motion, but to move for the appointment of a Select Committee to make inquiries into the whole subject, and to take evidence as to the power of the Commonwealth Parliament to take over the manufacture of cigars and tobacco? If that course were taken, we should be able to get some information as to whether a monopoly does exist, and if so, to what extent; whether its effect has been injurious to the people, and what profit we may anticipate to get if it is taken over as a State industry. All that information could be collected, and at the same time we could obtain the best legal opinion on the subject. We might

be able to state a case for the opinion of the High Court, which, after all, will have finally to decide the question. If that course is taken, we shall know where we are, but at the present time we do not. The honorable senator must admit that, although he has taken very great pains to collect evidence on this question, still a Select Committee would be able to collect a considerably larger volume of evidence than he has been able to do. In the circumstances, therefore, the Government have to ask the honorable senator not to press the motion to a division.

Senator GIVENS.—Will the honorable senator promise to support a motion for the appointment of a Select Committee?

Senator PLAYFORD.—I have not consulted my colleagues, but my personal inclination would be unmistakably to support the motion.

Senator DE LARGIE (Western Australia).—On two previous occasions I thrashed out this subject in such a manner that there is very little left for me to say now. I should not have risen on this occasion but for the assertions of Senator Playford as to the price of tobacco, and the amount of profit from this industry. He quoted the price of the best imported tobacco at 5s. per lb. According to *Coghlan*, for the last fourteen years the minimum price of the best imported tobacco has been 6s. per lb., and the minimum price of colonial tobacco has been, not 3s. 9d., but 4s. per lb.

Senator PLAYFORD.—I gave the price on the authority of a Customs expert. Is *Coghlan* giving the wholesale or retail price?

Senator DE LARGIE.—Senator Pearce has just placed in my hands a copy of the *Australian Tobacco Journal*, which quotes the price of Wills' Three Castles brand at 7s. 6d. per lb., which is a considerable advance on the price quoted by *Coghlan*.

Senator PLAYFORD.—That must be for some very fancy brand, I suppose.

Senator PEARCE.—That is wholesale, too.

Senator DE LARGIE.—This publication quotes the price of Capstan tobacco at 6s. per lb.; Diadem at 6s. 6d. per lb., and Player's Navy Cut at 7s. 9d. per lb. Therefore, the price of 5s. per lb. quoted by Senator Playford is very low, when it is compared with the prices quoted by *Coghlan* and in this journal.

Senator PLAYFORD.—I do not know what *Coghlan* or any one else says. I know what I pay.

Senator DE LARGIE.—Let me now refer to the figures of this expert with regard to the profits. I understood Senator Playford to say that if all the profits of the trade in Victoria were pooled they would not amount to £55,000. During the discussion on the tobacco duties, Senator Clemons produced a balance-sheet of Cameron Brothers and Co., and he quoted the profits of that one firm in one year at £50,000.

Senator PLAYFORD.—They had not only Victoria, but other States to supply.

Senator DE LARGIE.—At that time there were in the other States tobacco factories which do not exist now. That company could not possibly have been doing the whole of the Australian trade, because their capital amounted to only £50,000. In one year they made as much in profit out of the industry as they had invested in it. These facts should be remembered when a gentleman is referred to as an expert whose figures are altogether different from those which we have had hitherto. The statements read by Senator Playford are not worth the paper on which they were written, because they appear on their very face to be entirely erroneous, and have no bearing on the question of profits. The honorable senator demanded proof of the existence of a monopoly. Every person in Australia who has been paying any attention to the industry must be aware that, since Inter-State free-trade has been established, there has been a trustification of the tobacco factories of Australia. We have in existence the States Tobacco Co., which is a combination between the Dixon Tobacco Company, Cameron Bros. and Co., and various other tobacco manufacturers. There could be no question that a monopoly does exist. The honorable senator also said that even if there were a monopoly he wished to know what evil effects it had brought about before we did anything to alter the state of affairs. Even suppose that the selling prices were the same as hitherto, we have other considerations to think of than the interests of the mere consumer. I will briefly state the position of Western Australia. Before Inter-State free-trade was established we had two factories in Fremantle, but since the trust was formed those two factories—the only two we had in the State—have ceased to exist, and the employes have had to go elsewhere to look for work. Western Australia, however, is not the only State which has suffered in

that way. In Victoria there has been a reduction in the number of hands, and, perhaps, a reduction in the number of factories. At all events, fewer hands have been employed in the tobacco trade in Melbourne than used to be employed before this trustification came off. We also know that a quantity of labour which used to be done in this city is now done in Adelaide. Seemingly, Adelaide is the city in which cheap labour can be procured, and in which there is no Wages Board Act or Compulsory Arbitration Act. The cheap girl-labour of this so-called moral city has to do the work for 50 per cent. less than trade union rates. By this means the objects of the Arbitration Act of Western Australia, and the Wages Board Act of Victoria, have been defeated. That is one of the results of this monopoly. Senator Playford requires proof that the monopoly is doing harm. Those are proofs which he cannot get over. The harm which is being done to tobacco operatives is unquestionable. The price for the production of 100 cigars in Adelaide by cheap girl-labour runs from 6d. to 1s., whereas the rates which were fixed by the Wages Board in Melbourne ran from 1s. 8d. to 2s. 3d. per 100. In the face of these figures there can be no doubt that this monopoly has done an injury. Taking Senator Playford's argument, it is apparent that we have the right to abolish the tobacco trust straight away and to put in its place a monopoly of a national character, so that the people, as a whole, will reap the benefit. The Republic of France has nationalized the tobacco industry. Many years ago the French Government put into the tobacco industry something like £2,000,000 of capital. The figures for the latest year which I have been able to obtain—those for 1902—show that the tobacco industry of France, which is a Government monopoly, produced a profit of £14,00,000. Surely, there is proof that there will be a greater amount of profit from nationalizing this industry than we get out of it at present. I hold that tobacco is a commodity which is a fair subject for taxation. There is scarcely a civilized country in the world but has recognised that tobacco is an eminently taxable commodity, and several countries have nationalized the industry. Even a little Asiatic country like Japan nationalized the tobacco industry four years ago. Those who are admirers of the Japanese should be influenced by that fact. These countries have not nationalized the industry because they believe in the prin-

Senator de Largie.

ciple of State socialism, but for the purpose of getting the full amount of revenue out of it. Looking at the matter from a revenue stand-point, I contend that we can do much better by nationalizing the industry than by allowing such enormous profits as are reaped by Messrs. Cameron Bros. to go into private pockets. The figures quoted by Senator Clemons showed that as much as £50,000 profit was made by Cameron Bros. in one year in Victoria alone. That is the best proof we can have of the enormous incomes that the tobacco manufacturers are securing. Furthermore, the monopoly has been able to lower the expense of manufacture, and has decreased the number of hands employed. They have discharged sixteen travellers, and having now a monopoly of the trade no longer advertise as before. The works have been shifted to a State where there is no compulsory arbitration law in operation, and the operatives are being paid 50 per cent. less than the wage formerly paid. In Victoria I find that, notwithstanding the fact that last year the income tax minimum was £125, only one tobacco worker had to pay income tax. That will give an idea of the wages paid, and why the manufacturers shifted their works to the "model" State of South Australia in order to get cheap labour. From the stand-point of revenue, and also from the stand-point of the worker, who has to bear the heat and burden of making the commodity, the tobacco industry should be nationalized. I hope that the motion will be carried, and that it will serve as an indication to the other House to do likewise.

Debate (on motion by Senator GRAY) adjourned.

ACTS INTERPRETATION BILL.

Report adopted.

Senate adjourned at 5.11 p.m.

House of Representatives.

Thursday, 17 March, 1904

Mr. SPEAKER took the chair at 2.30 p.m., and read prayers.

NEW MEMBER.

Mr. HUGHES made and subscribed the oath of allegiance as member for the electoral division of West-Sydney.

PRINTING COMMITTEE.

Report (No. 2) presented by Sir JOHN QUICK, read by the Clerk, and agreed to.

ELECTORAL ADMINISTRATION.

Mr. SYDNEY SMITH.—I desire to ask the Minister for Home Affairs whether, in view of the irregularities which occurred in several of the electorates during the recent elections, and which caused considerable loss and inconvenience, not only to the candidates, but to the public generally, he will cause some inquiry to be made, and supersede such officers as are found to have been responsible for the mistakes committed?

Sir JOHN FORREST.—The honorable member's question is in very general terms.

Mr. SYDNEY SMITH.—What I wish to ask is whether, in the event of its being found that certain officers are responsible for the trouble which occurred, the Minister will cause them to be superseded before another election takes place?

Sir JOHN FORREST.—Every case is being dealt with on its merits. The honorable member has not mentioned any specific instances, and unless definite complaints are made, it will be impossible for me to make an investigation. If the honorable member is aware of any causes of complaint, and will bring them under my notice, I will see that they are fully inquired into.

Mr. JOSEPH COOK.—Does the Minister know of any complaints having been received at his office?

Sir JOHN FORREST.—I believe there are several.

Mr. SYDNEY SMITH.—The Minister is no doubt aware of the remarks recently made by the Chief Justice of the High Court, and of the irregularities which have been brought to light in the course of the inquiries before that tribunal. I now ask him whether he will make full inquiry with regard to these irregularities, and whether in the event of its being found that they were due to the neglect or incompetence of any officers, he will see that competent men are appointed in their places, in order to as far as possible prevent a recurrence of such irregularities?

Sir JOHN FORREST.—I shall be very glad to do what I can. It must be remembered that the officers may, in some cases, have erred, not from want of capacity, but from lack of experience or knowledge. In such instances they will, no doubt, soon become efficient.

PRIVILEGE: ORDER OF BUSINESS.

Mr. MAHON (Coolgardie).—I desire to direct the attention of the House to a matter which I consider involves the privileges of honorable members. Standing order No. 98 provides, with regard to notices of motion, that—

The notices shall be entered by the Clerk on the notice-paper in the order in which they were given.

On the very first sitting day of the House I gave notice of motion as follows:—

That in the opinion of this House, the honorable member for Wakefield, Sir Frederick William Holder, K.C.M.G., has, by his acceptance of a fee or honorarium for services rendered to the Commonwealth between the 23rd day of November, 1903, and the 2nd day of March, 1904, vacated his seat as a member of the House of Representatives.

That notice has had precedence on the paper, for the day for which notice was given, upon every occasion until to-day. Now, however, I find that notices of motion which were subsequently submitted by the honorable member for Gippsland and the honorable member for Kennedy have been given priority. The honorable members referred to only recently gave notice of the motions standing in their names, and therefore it is my impression that somebody—it may have been the Government or some one else—has been gerrymandering the notices of motion.

Mr. DEAKIN.—It certainly has not been the Government.

Mr. MAHON.—I protest against my notice of motion, which was given in accordance with the Standing Orders and the rules of Parliament, being required to yield precedence to notices of motion subsequently given.

Mr. DEAKIN.—The honorable member's notice will be taken first, wherever it may appear on the notice-paper, because it raises a question of privilege.

Mr. MAHON.—Then why should it be placed in its present position upon the notice-paper? There is another Standing Order, No. 240, by which it appears that—

The Committees of Supply and Ways and Means shall be appointed at the commencement of every session, so soon as an Address has been agreed to in answer to His Excellency the Governor-General's Speech.

I contend that there is nothing to prevent the House from dealing with the motion of which I have given notice, before it proceeds to appoint the Committees referred to, because the necessity for having a Chairman of Committees, immediately after the Address in Reply has been disposed of, does

not arise. The words used are "as soon as," and honorable members will agree that if it were intended that the Committees should be appointed immediately, the word "forthwith" would probably have been employed. I do not wish to detain the House, but I merely rise to protest against any one tampering with the notices of motion, and to also express the wish that my notice shall be placed upon the paper in the proper order of precedence.

Mr. DEAKIN (Ballarat—Minister for External Affairs).—The honorable member's vigilant scrutiny of the Standing Orders is justified; but I think that if he had considered the purpose of the motions which precede his upon the notice-paper, he would have seen that in this instance their position is also justified. When interjecting, I had not looked at the notice-paper, and thought that the honorable member was objecting to some notice of motion dealing with a matter of substance being placed before his. That would have been indefensible. In this case, however, I think that the honorable member will see that the notices of motion to which he has referred, ought to precede. His motion raises a question of privilege, affecting the present occupant of the Chair, and it would be highly undesirable for Mr. Speaker to be obliged to occupy the Chair during the discussion of that subject.

Mr. MAHON.—There is an objection to Mr. Speaker occupying the Chair in the interim.

Mr. DEAKIN.—I think that the honorable member will agree that, putting the matter upon no higher ground, the notices of motion relating to the appointment of the Chairman of Committees should take precedence in the present case.

Mr. MAHON.—If that is the only point, I am perfectly agreeable to yield precedence.

Mr. DEAKIN.—The honorable member is quite correct as to the right of priority he possesses, and also in saying that no one has authority to tamper with the notice-paper. The Government have not done so, but in this instance there was a special reason, which I felt sure the honorable member would recognise when it was pointed out to him.

DUTY ON BRITISH IMPORTS.

Mr. DUGALD THOMSON asked the Minister for Trade and Customs, *upon notice*—

1. What was the total amount of duty collected in the Commonwealth on goods, the product of the United Kingdom, during the year 1903?

2. What was the total value of such goods?
3. What was the total value of free goods, the product of the United Kingdom, entered inwards during the year 1903?

Sir WILLIAM LYNE.—I regret that I must ask the honorable member for North Sydney to postpone his question until to-morrow. I had the matter before me to-day, but some further information is being obtained, and I hope to be able to answer the question to-morrow.

INSTRUCTIONS BY ELECTORAL DEPARTMENT.

Mr. FULLER asked the Minister for Home Affairs, *upon notice*—

Whether he has any objection to lay upon the table of the House the original copy of the instructions given by the Electoral Department with regard to the use of Form Q—

(a) To the Returning Officer for Wimmera, if sent to him direct;

(b) To the Electoral Officer for Victoria, if sent through him;

(c) In the latter case, also the original copy of the instructions sent by the Electoral Officer for Victoria to the Returning Officer for Wimmera?

Sir JOHN FORREST.—In reply to the honorable member's question, I beg to state—

(a) The instructions were sent direct to the Chief Electoral Officer to the Divisional Officer for Wimmera. (Copy, with replies, laid on the table.)

(b and c) Answered by (a).

PREFERENTIAL RAILWAY RATES.

Mr. G. B. EDWARDS (for Mr. GLYNN) asked the Prime Minister, *upon notice*—

1. Whether he has made any, and if so what, suggestion to the Governments of the States with a view to an agreement being come to between the Railway authorities of the States to put an end to preferences and discriminations within the meaning of the trade and commerce sections of the Constitution?

2. Whether he will respectfully suggest to the Premiers of the States that the question of the abolition of such preferences and discriminations should be considered at an early date; if possible, at the next meeting of the Premiers or Treasurers of the States concerned?

Mr. DEAKIN.—In answer to the honorable member's questions, I have to say:—

1. Communications were sent to the State Governments in 1901-2 suggesting that the Railway authorities should communicate with each other, with a view to the nearer assimilation of rates than then existed.

2. It has now been suggested that a Conference is the only way of meeting the difficulty. The honorable member for Home Affairs has requested that the attention of the States Governments be invited to the previous correspondence, and asked whether further consideration will be given to the matter.

PAYMENTS ON BEHALF OF THE IMPERIAL GOVERNMENT.

Mr. KELLY asked the Minister for Defence, *upon notice*—

Whether the Commonwealth Government was paid anything in the nature of a commission by the Imperial Government on moneys expended by the Commonwealth in connexion with the equipment, &c., of the Commonwealth South African Contingent, in addition to the repayment of such moneys.

Sir GEORGE TURNER.—The following is the answer to the honorable member's question—

Nothing in the nature of a commission has been charged by the Commonwealth Government to the Imperial Government in connexion with the matter referred to.

GOVERNOR-GENERAL'S SPEECH: ADDRESS IN REPLY.

Debate resumed from 16th March (*vide* page 643), on the motion of Mr. MAUGER—
That the address be agreed to by the House.

Mr. McDONALD (Kennedy).—I do not propose to take up much of the time of the House, because I quite understand that the debate has dragged out probably to a greater length than most honorable members expected. Had it not been for one or two speeches which have been made I should not have spoken to the address at all. As I have decided to say a few words I shall briefly mention the points I wish to make in connexion with the Speech made by the Governor-General. One of the first matters brought under our notice is a reference to preferential trade. I shall not deal with the subject at any length, because the question is not before us in any practical form. I desire, however, to say that so far as Australia is concerned, the only question is whether it will pay. Considerations of sentiment and the "dear Old Mother Country" do not enter into the matter. The person who tries to run fiscalism on sentiment will have a very bad time, and the country adopting preferential trade on purely sentimental grounds will have the worst of the bargain. It is a cold, matter-of-fact business matter. I presume that as a reference is made to the subject in the Governor-General's Speech, it is the intention of the Government to bring it forward in some practical form during the session.

Mr. JOSEPH COOK.—Is it?

Mr. McDONALD.—If it is not the intention of the Government to do so, why is any reference made to the subject in the Governor-General's Speech?

Mr. HUGHES.—Does it not help to fill in the Bill?

Mr. McDONALD.—It certainly does, and in that respect it is, I am afraid, like many other matters submitted by the Government. We require something more than that. We should have a practical motion with which we can deal. I may say that I regret very much that this paragraph should appear in the Speech, if it is inserted merely to assist a certain section in England, who will use it for party purposes. The same kind of thing is being done here; in fact it would appear that the protectionist parties in both countries are playing into each other's hands. I regret that any reference to the subject should have been made in an underhand way in the Governor-General's Speech, when the Government do not intend to submit any definite proposal dealing with it. I enter my protest against the invitation to Mr. Chamberlain to advocate preferential trade here. If that right honorable gentleman comes to Australia for that purpose he will have a bad time. If he comes out here as an English statesman, he will no doubt get a very good reception in Australia, but if he enters upon party politics, as he certainly will do, if he advocates preferential trade, I am afraid he will return to England with but a poor opinion of the principles he advocates.

Mr. CONROY.—What principles will he advocate; there is time for him to change his views on the voyage.

Mr. McDONALD.—I quite realize that the right honorable gentleman referred to may change his views a dozen times before he arrives in Australia. If the Government are sincere in their references to immigration, the only way in which they can do any good is to bring about some development in the agricultural industry of this continent. One of the best things which they can do would be to relieve the agricultural community of a number of the iniquitous duties which now stand in the way of their getting the implements necessary for their industry. If they were sincere in this matter the Government would submit direct taxation and put a thumping big land tax upon the large estates in Australia. At the present time in the State of Victoria hundreds of thousands of acres, within even a few miles of this building, are unutilized, though they might be made the means of settling thousands of families.

Mr. SKENE.—They are under very heavy taxation.

Mr. McDONALD.—The whole of the direct taxation of the State does not amount to 14s. per head.

Mr. SKENE.—There is a very heavy land tax here.

Mr. McDONALD.—The indirect taxation of Victoria amounts to something like £2 6s. per head. Of what use, therefore, is it for the honorable member for Grampians to suggest that direct taxation bears a fair proportion to indirect taxation in this State? It is most extraordinary that the moment an attempt is made to make those interested in landed property in Australia bear a fair proportion of taxation they begin to make a noise. Members of the Labour Party are accused of advocating class legislation, but these people have, as a class, legislated in the past for their own ends, and have made the general public bear the great burden of taxation. If we are to do any good in the settlement of people on the land in Australia we must first break up the big landed estates, and that can best be done by a substantial land tax. When such a tax is imposed we shall get at the normal value of land, and then, if it is necessary, the Government can buy back some of these estates, and lease the land to people who will be prepared to make proper use of it. So long as we allow individuals to hold these large estates, we cannot accomplish much good in the direction of settling the people upon the land. I quite agree with the remarks of the right honorable member for Adelaide that the question of the Federal Capital site will never be satisfactorily solved until the Government are prepared to take it up as a party question. The sooner that course is adopted the better it will be for the Federation as a whole, and for New South Wales in particular. Undoubtedly that State entered the union upon the distinct understanding that the Federal Capital should be located within its territory, and I hold that it is our duty at the earliest possible opportunity to give effect to the provision in our Constitution which relates to that matter. Of course, I recognise the difficulty in which the Government find themselves in that two Ministers are interested in rival sites. The result must be to prevent a settlement of the question so long as the present Government hold office, because if either Tumut or Bombala were selected the resignation of a Minister would naturally follow, and the Cabinet

would thus be weakened. Consequently the Government will never submit any definite plan for dealing with the question. That being so, I have a suggestion to offer to them. I desire to know if they will allow any private member to introduce a Bill designating either Tumut or Bombala as the capital, and whether they will promise to afford the necessary time to enable that measure to be carried through this Chamber? If the Ministry are not prepared to deal with the question themselves, surely they cannot reasonably object to a private member undertaking that responsibility. Again, the speedy settlement of the question is likely to be delayed by other complications. As honorable members are aware, this House last year selected Tumut as the site of the capital. If the Seat of Government Bill is again brought forward—and the Government has not yet intimated their intention to resubmit it to the House—and if a majority of honorable members decide in favour of Tumut, whilst the Senate declares for Bombala, will the Ministry promise to advise the Governor-General to dissolve both Houses, so that the question may be definitely settled?

Mr. McCOLL.—There are several other matters which require settlement in addition to that. We could deal with them all simultaneously.

Mr. McDONALD.—Of course if several other matters require to be settled it would be wise to dispose of them simultaneously. I know of one question which the honorable member for Echuca desires to submit to the people of Australia, namely, whether the Labour Party shall be wiped out of political existence?

Mr. McCOLL.—There is no justification for that statement. It is a very improper remark, and a very untrue one.

Mr. SPEAKER.—The honorable member for Echuca must withdraw that remark.

Mr. McCOLL.—I withdraw the remark, but the speech which I delivered last week is a sufficient contradiction of the honorable member's statement.

Mr. McDONALD.—I do not regard the interjection of the honorable member as in any way offensive. I know what are his feelings towards the Labour Party generally—

Mr. McCOLL.—It will be better for the honorable member not to say anything more about it.

Mr. McDONALD.—I know the class outside the House to which the honorable

member belongs. Its members have never lost an opportunity of attempting to prevent members of the Labour Party from being returned to Parliament.

Mr. McCOLL.—Will the honorable member mention what that class is? He is only a slanderer.

Mr. SPEAKER.—Will the honorable member for Echuca withdraw that remark?

Mr. McCOLL.—I shall have to do so.

Mr. McDONALD.—When an honorable member makes a charge of that sort I think he should withdraw it unconditionally.

Mr. McCOLL.—It is the honorable member who is making a charge.

Mr. McDONALD.—I am making no charge. I simply say that the class to which the honorable member belongs—

Mr. McCOLL.—What class is that?

Mr. McDONALD.—The employing class generally. I know that the honorable member is a farmer, and that if he could possibly prevent it, he would not allow a solitary labour member to sit in this House. That is no charge at all. We fight the honorable member, and the party with which he is associated, outside the House in the same way that they fight us. I do not say that in any disparaging spirit, and when the honorable member loses his temper I am sorry for him. Another familiar item in the Governor-General's Speech has reference to the question of old-age pensions. At the opening of the first Parliament reference was made to the same subject in the Vice-Regal Speech, although the Government were perfectly well aware at the time that there was no possibility of giving effect to such legislation.

Mr. DEAKIN.—They stated so in, the speech.

Mr. McDONALD.—Then why attempt to delude the people of Australia? The reference is intended to induce people to believe that the Government desire to do something in that direction. Yet, when the honorable member for Darwin submitted a motion affirming the desirableness of establishing a system of old-age pensions, and setting out that the passing of the resolution should be regarded as an instruction to the Attorney-General to draft a Bill to give effect to it, who were its strongest opponents? The present Minister for Trade and Customs and Sir Edmund Barton. It seems to me that no serious attempt was made on that occasion to grapple with the question. If the Government honestly desired to deal with it in an

effective way, they could do so by submitting proposals in favour of direct taxation. In regard to the admission of Chinese into South Africa, I must compliment the Government upon the action which they took. I exceedingly regret that it should be necessary for us to interfere in political matters outside of Australia. It is a deplorable state of affairs. Nevertheless, the Government themselves set the example in this respect when they submitted a resolution in this House indorsing the policy of Mr. Chamberlain. Whilst it is undesirable, as a general rule, to interfere in politics outside of Australia, I think that the proposal to introduce Chinese labour into South Africa constitutes an exceptional case which justifies us in our action, more especially when we consider the amount of treasure and human life that has been sacrificed there. What was the object of that sacrifice? It was ostensibly designed to benefit the British residents there. But it now appears that it was really intended to benefit a few speculators, who dragged the honour of England into the mire for the purpose of robbing the unfortunate Boers of the gold which they had in their country. Now it is proposed to work these mines with Chinese labour.

Mr. CONROY.—Is there much distinction between a Chinese Africa and a Black Africa?

Mr. McDONALD.—There is no difference whatever from the point of view of white labour. I wish now to draw the attention of the House to a paragraph which recently appeared in one of the newspapers, and which sets out some of the evidence given before the Royal Commission that was appointed to inquire into the labour conditions prevailing in South Africa. I particularly wish to emphasize the testimony of Mr. Creswell, manager of the Village Main Reef gold-mine. The paragraph in question states—

Mr. Creswell recently engaged white unskilled labour for the mine at 10s. per day. The experiment has proved a success, but yesterday he informed the Commission that the chairman of his London board had privately written to him, stating that Messrs. Wernher, Beit, and Co. and other leading mine-owners had been consulted regarding the new departure. They expressed the fear that the engagement of a large number of white labourers on the Rand would cause troubles similar to those that prevailed in Australia. It would enable a combination of labourers to dictate wages, and would give them a political power when responsible government was granted to the Colonies.

To my mind that evidence constitutes one of the strongest reasons why we

should compliment the Government upon having taken such timely action. As we shall shortly be called upon to deal with the Conciliation and Arbitration Bill, it is unnecessary for me to discuss the matter at the present stage; but I desire to intimate that if that Bill ever reaches the Committee stage, I shall move an amendment extending its provisions to the railway servants of the States. I wish now to make a few remarks relative to the effect which certain legislation, passed by this Parliament, is said to have had upon the credit of Australia. We are told that this legislation has been passed practically at the bidding of the Labour Party, and that if it has not ruined Australia, it has, at all events, led to the depression from which the States are now suffering. What does this charge amount to? It simply means that in the opinion of those who decry this legislation, section 16 of the Post and Telegraph Act, and the contract labour section in the Immigration Restriction Act, have been detrimental to the interests of Australia. Is there any one outside a lunatic asylum who would assert that two isolated provisions in two Acts of Parliament have frightened capital away from Australia? Section 16 of the Post and Telegraph Act defines the class of labour which shall be employed on vessels subsidized by the Government of the Commonwealth, and declares that white labour only shall be employed on such steamers. We are told by one honorable member that the question at issue is not whether the shipping companies require cheap labour, but whether they desire to obtain reliable labour. My own opinion is that what they desire to secure is cheap and servile labour. Considerations of expense enter very largely into the question of employment, so far as these companies are concerned. Capitalists care nothing for the black man; they use him, just as they employ the white man, in order to secure a profit to themselves, and that is all they are ever likely to do. One honorable member has asserted that white sailors are not reliable, and that it is for that reason that the shipping companies prefer to employ black labour. I would ask that honorable member whether he would prefer to depend upon a black or a white population. I am beginning to think that the loud cries that we hear against the exclusive employment of white labour on our mail steamers are hypocritical. We hear opponents of legislation of the class to which I have referred, singing from time to time about

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the "Boys of the Bulldog Breed," and talking loudly of the readiness of our men to defend the Empire; but, as soon as their pockets are touched they assert that white sailors are not reliable, and that they prefer black labour. In these circumstances we are justified in believing that there is a great deal of hypocrisy associated with the protestations of loyalty on the part of those who prefer to see black labour employed on our steam-ships. We have also been told that the incident of the six hatters has caused the British investor to look upon Australia as a place to be avoided, and that, because we considered that certain men who had violated our laws should be detained here for several days, there is not a capitalist in the old country who would lend us a farthing. In my opinion, the British investor does not care a continental rap for section 16 of the Post and Telegraph Act, nor for the provision relating to the employment of contract labour in the Immigration Restriction Act. I have here an interesting quotation from the London *Daily Mail*, of 3rd December last, which puts the whole position in a nutshell. Referring to the Immigration Restriction Act, it sets forth that—

The commonly-received talk about the Act being the work of the Labour Party in the Commonwealth is only talk. The Act is the Commonwealth's; there it is, on the statute-book, with not the faintest indication of a disposition in the Legislature or the people at large to wipe it off again. The Act is certainly in the interests of Australian labour, or what Australian labour takes to be its interests; but if labour has the power to pass such laws, it has the ruling power in the Commonwealth, and nothing practical is gained by denouncing labour. If a sweeping measure of disfranchisement is what is at the back of the minds of the people here and in Australia who talk in this way about the enormities of the Labour Party, let them speak it out plainly, and see how ridiculous the notion is. If they do not want that, they may as well make the best, instead of the worst, of things as they stand. What it all comes to is that Australia is the most perfect Democracy in the world, and naturally legislates for the Demos; if it consoles any one to call Demos bad names, he is at liberty to do so. But the better plan would be to attempt to enlighten and improve him.

The London *Daily Mail* cannot be regarded as a labour journal; but it certainly puts the position in regard to legislation of this kind in a proper light. I am one of those who believe that the great depression from which Australia has suffered for some years past has been due, not to any legislation passed by the Parliament of the Commonwealth, but to the severe and unparalleled drought through which we have passed. During the course of my

travels through Queensland, I have seen many instances of the terrible effects that the drought—which was most acute during the first three years of the existence of the Commonwealth—has had upon the country, and it is to that cause, and not to any legislation which we may have passed, that the depression now existing must be attributed. We are told that apart altogether from the effects of the drought, Australia is passing through a period of depression, and I think that we are justified in asking our opponents to furnish us with some specific evidence in support of their assertion. The honorable and learned member for Parkes spoke of the ruin and disaster which, in his opinion, had been caused by Commonwealth legislation, but, on turning to *Coghlan*, I find that the facts do not warrant such a statement. *Coghlan* shows, for example, that the plant used in production in 1899-00 was of the value of £18,202,724, while in 1902-3 it was of the value of £20,534,436—showing an increase of £2,331,712. Coming to the question of output, I find that the value of our production in 1899-00 was £28,666,000, while the value of our production in 1902-3 was £32,118,000, an increase of £3,452,000. Another test of the effect of Commonwealth legislation is a comparison between the value of property in Australia prior to Federation, and since our Commonwealth legislation was passed. I find that the value of property in 1899-1900 was £879,391,000, while in 1901-2 it was £908,762,000, an increase of £29,371,000. Surely the capitalists of the community ought to be satisfied with that increase, unless nothing short of the whole product of labour is enough for them. Taking the earnings of the investments of non-residents and the incomes of absentees in excess of the incomes obtained by residents from investments abroad, I find that in the year 1899-1900 it was £149,144,000, in the year 1901-2 £164,400,000, and in the year 1902-3 £183,152,000, showing an increase since Federation of £44,008,000. The only periods in the history of Australia during which capital has been withdrawn from the country to any large extent are those between 1872 and 1875, and between 1891 and 1894, in the first of which the capital withdrawn in excess of the capital sent here was about £2,000,000; in the second it was about £1,500,000. My comparisons have dealt only with the period which has elapsed since Federation, in which period, we have been told, Australia has been deprived of

capital which would have been invested here but for Commonwealth legislation. The only specific instance of a withdrawal of capital was that mentioned by the honorable and learned member for Parkes, who told us that the directors of the Scottish Widows Fund, who had invested £2,000,000 in Australia, and were employing a manager at £2,000 per annum, had paid off their manager and would withdraw their money. I regret that the honorable and learned member made such a damaging statement against so estimable an institution. He should have had more tact than to disclose such a state of affairs in connexion with an institution of that character. If the money was invested, it was brought here before Federation.

Mr. FULLER.—It was invested years before Federation.

Mr. McDONALD.—If the investments have not paid they must have been badly made, for which the directors were to blame; but, if they have paid, and the withdrawal is being made for political purposes, it is a disgrace to those who hold honorable positions in connexion with the company.

Mr. FULLER.—A large part of the money was invested in station property.

Mr. McDONALD.—I regret that the honorable and learned member for Parkes went out of his way to instance that case. I do not believe that the state of affairs is as he depicted it. The information I have gathered since is that the institution is in a very flourishing condition, and that its Australian investments bear favorable comparison with its other investments elsewhere. Then we have been told that capital is not now flowing into Australia. As a matter of fact, however, those who have come here within the last few years have brought with them no less than £1,772,000. The last, but not the least effective, of the comparisons I shall make is with regard to private investments. During the three years which have elapsed since Federation, the amount of private investments has greatly increased. In 1899-1900 the value of these investments was £92,296,000. In 1901-2 it was £94,861,000, while in 1902-3 it was £114,282,000, so that since Federation £21,976,000 has been invested in Australian industries, notwithstanding the legislation which the Labour Party have assisted to pass. Any one who doubts my figures can check them by reference to the last edition of *Coghlan*, just issued. Of course, comparisons to be fair, must be between normal years. During the recent

drought the number of sheep carried in New South Wales was reduced from 61,000,000 to 23,000,000, and the number carried in Queensland from 21,000,000 to 8,000,000. Legislation could not be held responsible for that, and it would not be fair to compare such a period with a period during which the condition of things was normal. I have shown, however, that there has been a wonderful increase in the value of property and of investments under Federation, notwithstanding the passing of the Immigration Restriction Act, under which the six hatters were stopped, the Pacific Island Labourers Act, and the sixteenth section of the Post and Telegraph Act, which requires that mail contracts shall not be made with companies employing black labour upon their steamers. What then becomes of the statement that those measures are driving capital out of the country? It is not the legislation of the Commonwealth, and the fact that the Labour Party is gaining ground in all the States, that is responsible for losses of capital. Whatever losses have occurred are due to wild speculation. It is that which has tended to destroy the confidence of the British investor. I need only mention one case, namely, that of the Chillagoe mines in Queensland. Three gentlemen, who had three prominent mine speculators behind them—two of them were in the last Parliament—obtained a concession from the Queensland Government in connexion with these mines. What was the result? Although they paid their manager £10,000 per annum, and they erected smelters at Chillagoe at a cost of £100,000, they knew very well from the outset that there was nothing in the mine. One gentleman, who had 48,000 shares in the company—and this is a matter of ancient history, because the information appeared in the *Argus* some time ago—quietly unloaded the greater portion of his holding, some 40,000 odd shares, at prices ranging from £1 to 38s. per share, after which the price of the shares suddenly dropped to 2s. I afterwards met a gentleman who was in London when the news of the failure of the Chillagoe enterprise reached England. He told me that he believed that if he had had the best mine—gold, coal, or anything else—in Australia, and had mentioned it on the London Stock Exchange at that time, he would have been mobbed. This is the kind of thing that is bringing Australia into disrepute, and injuring her credit. When I hear honor-

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able members telling the Labour Party that the policy which they are pursuing is ruining Australia, I think that it is time that that section of the people to which they belong should be told a few home truths. At the last elections the Labour Party fought one of the biggest battles that has ever taken place in Australia. We had arrayed against us the united employers' associations, the united chambers of commerce, the united chambers of mines, the united chambers of manufactures, and a number of auxiliary organizations, which had been brought into existence to assist in breaking down the Labour Party. No less than £10,000 was raised in Queensland for the express purpose of wiping out the Labour Party. In New South Wales, judging from the statements of the secretaries of the various organizations, some £20,000 odd was subscribed for a similar purpose; and in Victoria it was reported that the employers and kindred organizations had a fund amounting to £23,000. All this money was used in the interests of that section of the community which wishes to rule the destinies of Australia without let or hindrance. I must congratulate the leader of the Opposition upon having spoken out so strongly against the action of these people. I think that his remarks upon that point are well worthy of being published in every labour newspaper in Australia.

Mr. FRAZER.—The remarks of the right honorable and learned gentleman came a little bit late.

Mr. McDONALD.—I do not care about that. It is sufficient for me that the right honorable gentleman, holding the position he does, and being opposed to the Labour Party, acknowledged what had been done by the employers' organizations, and condemned their action in the very strongest terms.

Mr. FRAZER.—He was very careful that he did not act or speak in that way before the elections.

Mr. McDONALD.—I do not care when the statement was made. Everything possible was done to prevent members of the Labour Party from being returned to this Parliament. Last evening one honorable member thought he was very clever to obtain from the Labour Party an acknowledgment that they were socialists. We have never denied that, and any one who does not realize that the labour movement is of a socialist character cannot know very

much about it. So far as Queensland is concerned, the election struggle was essentially a fight between socialism and anti-socialism, and the result was a pronounced victory for the Labour Party. The lowest labour candidate upon the poll for the Senate had a majority of 16,000 votes over the highest representative of the other side. The members of the Labour Party have just as strong a desire as any others in the community to see Australia progress, but do not wish that result to be achieved at the expense of the great masses of the people. It is true that the labour movement is a class movement, but not in the sense that our opponents would have it understood. As a party, we represent 90 per cent. of the community. I do not say that we polled that proportion of votes, but those who toil with their hands or their brains represent 90 per cent. of the population.

Sir JOHN FORREST.—They represent the whole of it.

Mr. McDONALD.—In the past a small section of the community—the other 10 per cent.—have ruled the legislation of Australia, which was of a purely class character. It was only when matters reached an acute stage, and the oppression of the working classes became unbearable, that it was realized that something would have to be done to combat the influences at work. The Labour Party was then brought into existence with a view to secure to the working classes a fair share of the products of their labour.

Mr. CONROY.—If Parliament had not passed class legislation there would not today be the feeling there is.

Mr. McDONALD.—That is perfectly true. The Labour Party would not have gained its present strength, but for the unjust laws previously passed. We are prepared to fight until such time as we can exercise a very strong influence over the destinies of Australia. I hope that time is not very far distant. There seems to be great uneasiness on the part of some honorable members as to the intentions of the Labour Party. If our opponents think that we are inclined to legislate in a manner detrimental to the welfare of Australia, why do they not combine their forces and place us in direct opposition? That is where we want to be. Some honorable members are greatly agitated, and in some cases have almost been reduced to tears over what they regard as the present alarming condition of affairs. I do not see that there is any cause for alarm.

We got along very well during the last Parliament, as we shall during this Parliament, if the Government will only act reasonably. We do not ask them for concessions; but we say that if they do the square thing for the people of Australia we will support them. When I describe the members of the Labour Party as socialists, I should, perhaps, define my own position in the matter. One honorable member, in defining his position as a socialist last night, spoke in such vague terms that I found the honorable member for Kooyong quite in accord with him. In the circumstances, I should not be surprised if honorable members did not know where they are. It may subsequently be said that I do not know where I am, but I shall give my idea of socialism as clearly as possible. I take this to be a correct definition. We wish that the source of life, namely, the land, and the means of production, distribution, and exchange of wealth, shall be as far as possible in the hands of the people, and used for the common good. I think that covers the whole of the doctrine, aims, and desires of the Labour Party. We wish to bring about that condition of things, and we are prepared to fight until our object is accomplished.

Mr. SKENE (Grampians).—At this late stage in the debate the few remarks I have to make will probably not be so much upon the text of the Governor-General's Speech as upon some of the comments which have been made concerning it. It has been said that the Speech is a colourless one; but that cannot be said of the comments upon it. There has been a great deal of colour in them, and it is perhaps upon that account that I have been induced to speak. I think we are to be congratulated upon a general feeling in the House that the fiscal question should remain in abeyance at least for a time. Most of those who have spoken have suggested that it is held in abeyance merely in order that some combination may be made against the Labour Party. That is not my idea. When we had concluded our very long Tariff discussion, and had formulated a Tariff for the whole of the Commonwealth, I came to the conclusion that it would be well, in the interests of trade and commerce, that there should be fiscal peace for a time. It is well that this bone of contention should be laid aside.

Mr. CONROY.—What about the plundering of the bulk of the people that is going on daily?

Mr. SKENE.—I know nothing of any plundering. The honorable and learned member may be aware of something that is unknown to me. The leader of the Opposition has described the position between parties as an armed truce. Necessarily it must be an armed truce, because I feel that there are certain parties who will take advantage of the earliest opportunity to return to the fray. With respect to the attitude of the Government, I have to say that, notwithstanding the fact that some three or four honorable members in this corner gave in their adhesion to a policy of financial peace and the maintenance of the *status quo* during at least this Parliament, we had a Government candidate run against each of us in our electorates. Apart from the fiscal question, we had rendered a great deal of support in this House to the Government, and yet a Government candidate was run for every electorate for which a Victorian free-trader stood. I take it from this that what the Government desired was that the electorates should return thick-and-thin supporters.

Mr. PAGE.—They do not want "shandy-gaffers."

Mr. SKENE.—I will not retort upon the honorable member, because last night he asked us to forget a certain incident in his political career. I take it that if fiscal peace is to be maintained, and there is to be a redistribution of parties in the House, it must be upon some basis which, if there is a change upon the Treasury benches, will provide some balance between parties.

Mr. JOSEPH COOK.—Are the people asking for a coalition?

Mr. SKENE.—I do not know, but I have heard it suggested in a good many quarters. I do not feel so grievously disappointed with the Tariff adopted by this Parliament as do some of my honorable friends from New South Wales. As five or six of the States had previous to Federation adopted a policy which was more or less protective, I recognised that the Commonwealth Tariff must be a compromise. Although the compromise did not go as far in the direction of free-trade as I expected in some instances, it is acknowledged, even by the leader of the Opposition, that there were only some five or six items which he would challenge if he came back from the country with a majority.

Mr. JOSEPH COOK.—When did he say that?

Mr. SKENE.—He said that in this House in the last Parliament.

Mr. DUGALD THOMSON.—Five or six groups of items.

Mr. SKENE.—No; I think the right honorable gentleman referred to 20, 25, and 30 per cent. duties.

Mr. JOSEPH COOK.—The honorable member is wrong.

Mr. SKENE.—I may be wrong, but that is my impression. So far as I am concerned, I think there are not more than half-a-dozen items which I could regard as excrescences upon a compromise Tariff. It would be better from the point of view of those who advocate protection that those excrescences did not exist, because the objectionable features of the Tariff would not then attract so much notice. So far as we in Victoria are concerned, the policy proclaimed at Maitland by the late Prime Minister indicated a distinct advance for this State. A policy of moderate duties for revenue purposes, and for the preservation of industries worth continuing, was something of which we had not heard before. The idea here was to keep high duties on for all time. The honorable and learned member for Bendigo emphasized that in speaking upon the Address in Reply in the first Parliament, when he quoted certain passages from John Stuart Mill, in which he said that whilst assistance might be given to industries temporarily, the persons interested should not be led to suppose that it would be continued for all time. If that is to be the policy adopted in future, we have made an advance upon the attitude of protectionists in Victoria in the past. I would like to say that while there should, for the present, be an armed truce upon the fiscal question, we should have some authoritative tabulated information upon the working of the Tariff for the next few years. A revision of the Tariff will have to take place sooner or later, and statements upon the subject are being circulated in the newspapers which are entirely misleading. The right honorable member for Adelaide, in his very excellent speech, drew attention to certain figures affecting New South Wales, and certain deductions drawn therefrom. He declared that the effect of the Tariff in New South Wales had been so to check imports that there had been a vast expansion of local industries. Yet in the case of Victoria I have seen it stated time after time that imports are coming in so freely, that local industries are languishing, and that they will assuredly be wiped out.

Surely there is a contradiction involved in those two statements.

Mr. A. McLEAN.—No. Under the Federal Tariff the duties previously operative in Victoria were lowered, whereas those of New South Wales were increased.

Mr. SKENE.—Am I to understand then that Victorian industries, which have been established so long, are not able to hold their own with the industries of New South Wales, which are of yesterday's growth?

Mr. McCAY.—That is not the question.

Mr. SKENE.—It is the question. If the industries of New South Wales, which have not been established nearly so long as have those of Victoria, can thrive under the present Tariff, why cannot the Victorian industries thrive equally well? Is it right to say that they are bound to be wiped out?

Mr. KENNEDY.—Some of the industries in Victoria have been materially injured, and the cost of the article which they produce has not been reduced one penny.

Mr. SKENE.—That may be so.

Mr. DUGALD THOMSON.—The industries have been injured in this way: that Victorian manufactures were exported to the other States during the past year to the value of £3,000,000 more than they were previously.

Mr. SKENE.—Still I cannot recognise that my argument is unsound, because if New South Wales industries can thrive under the operation of the Tariff, certainly the Victorian industries ought also to flourish under it.

Mr. KINGSTON.—It is one thing to increase a duty, and quite another to diminish it.

Mr. SKENE.—I do think that, instead of these unauthorized statements being broadcasted throughout the country, we should have some properly constituted body to report annually to Parliament concerning the operation of the Tariff. Then, in case of its revision, we should have authoritative data at our command.

Mr. KENNEDY.—The Customs returns will show the increase that has taken place in Victorian imports.

Mr. SKENE.—Yes; but I desire to have something more definite to go upon than the statements of those interested individuals who infest the lobbies and throng the galleries when a revision of the Tariff is taking place. Seeing that the people of this country contribute from 3s. to 6s. in the £1 upon the output of these industries, I think that they have a sort of partnership interest in them, and that they

are entitled to information as to what becomes of their money. Concerning the question of preferential trade I am of opinion that we ought to know exactly where we stand. I shall not dwell upon the subject; but I do think it would be wise to institute some inquiry into the working of our Tariff so that we may be in a position to deal with that matter when it is submitted for our consideration. I have read most of the speeches which have been made by able men in the old country upon it, and in my judgment preferential trade will not mean much to us. I find in His Excellency's Speech a reference to "the immense and reliable market" which the establishment of preferential trade relations with the mother country will insure to us. Personally, I would not give much for the "reliable market" which will be created by the imposition of a duty of 3d. per cental upon corn, and a 5 per cent. duty upon the other side. Honorable members will remember the sneer with which Ministerial supporters regarded proposals to levy a 10 per cent. duty upon certain articles when the Tariff was under discussion. They persistently claimed that a 15 per cent. or 20 per cent. duty was absolutely necessary. What is the use of a 5 per cent. duty upon the small quantity of wheat which we send to England? It would not influence the market one iota, and as for our wool, that will enter Great Britain as raw material. Regarding the question of immigration, I have very great sympathy indeed with all the efforts that have been made to settle the people upon the land. Nevertheless, I agree with my friends of the Labour Party that we ought to do something in that direction for the people who are already here before we introduce more. If we introduce more my idea is that we shall still have the same number of unemployed in the community. Whilst the honorable member for Kennedy was speaking upon the subject of a land tax, I made an interjection which he did not seem to regard seriously. Victorian representatives, however, will recognise that in this State we have one of the heaviest land taxes that is operative in any new country.

Mr. McCAY.—It is not a land tax; it is a class tax.

Mr. SKENE.—If the honorable and learned member chooses, he can call it a "class" tax. But still my argument remains good. If that tax will not

successfully burst up our large landed estates, certainly the proposal of the honorable member for Kennedy would not accomplish that end.

Mr. WATKINS.—The land tax in New South Wales has burst up some of the estates.

Mr. SKENE.—The tax operating in New South Wales is very light compared with that which is levied in Victoria. Moreover, it is an absolutely fair tax.

Mr. DUGALD THOMSON.—In New South Wales it is simply a municipal tax.

Mr. SKENE.—The difference between the tax in New South Wales and that in Victoria is that in this State we are taxed not only upon the land, but upon the incomes which we derive from it.

Mr. MAUGER.—It is an altogether unscientific and bad tax.

Mr. SKENE.—In connexion with this question of settling people upon the land, I wish particularly to refer to a remark which was made by the honorable and learned member for Northern Melbourne. He declared that any scheme for attracting a desirable class of immigrants to Australia would require to be worked through the States—that it would be absolutely impossible for the Federal Government to adopt any system for settling people on the land. In that contention I think that he is wrong. There is a simple way to assist settlement in that direction, which is quite as open to the Commonwealth Government as it is to the States Governments. In the past the States have committed an error by endeavouring to accomplish too much. They have adopted methods which are much too cumbersome. Before any person can secure a piece of land upon liberal terms from them, they have to purchase a large estate. Having done that, their practice is then to afford men an opportunity to settle upon that estate. To my mind a much simpler method of encouraging settlement would be for the Government, instead of purchasing a large estate, to assist any man to buy a small piece of land in any part of the country.

Mr. BAMFORD.—Where can we obtain the land?

Mr. SKENE.—Anywhere, throughout the country.

Mr. BAMFORD.—At £60 an acre?

Mr. SKENE.—No, at a much less price than that, because the system which I advocate would insure fair competition all over the Commonwealth. Under the

Crédit Foncier system the Savings Bank advances money to farmers who have borrowed on the security of their land——

Mr. THOMAS.—That is a piece of socialism.

Mr. SKENE.—I am not dealing with that aspect of the question. What I desire to bring under the notice of honorable members is the fact that the Melbourne Savings Bank now lends money, under the Credit Foncier system, to any individual who is able to comply with its conditions as to valuations and so forth, and that the repayments are allowed to extend over a period of thirty years. It is true that the bank requires a margin of about 33 per cent. in respect of its security, but under the system of subdividing large estates for closer settlement—a system with which the honorable member for Gippsland is more familiar than I am—a very small cash deposit is required.

Mr. MAUGER.—It is a kind of time-payment system.

Mr. SKENE.—Quite so. Why should we not place men on the land in any district in which they wish to commence operations? We should give a man who has been employed on a farm, and who desires to secure a piece of land in the same neighbourhood, an opportunity to gratify that desire by purchasing land on the same easy terms that are given when an estate is purchased by a State Government for subdivision. No difficulty would be experienced in making the necessary valuations. It would be infinitely better to put a young man on land adjoining his father's farm, or a worker on land close to the farm on which he has been employed, than it would be to require him to go to other parts of the country. By the adoption of this system the Commonwealth would give effect to a very beneficial policy. Some honorable members may ask—"How are we to find the money?" The answer may be readily given, that it is open to us to borrow on the security of the lands proposed to be settled in this way. Propositions of this kind are generally suggested to my mind by something of which I have heard amongst my own friends. I have employed men who, when they desired to settle down for themselves, found it necessary to search for land, often at considerable expense, in other parts of the Commonwealth. It would be far better if workmen were given an opportunity to acquire land contiguous to that on which they have been employed,

instead of being required to settle on some large estate, subdivided for closer settlement purposes in another part of the State. The Government should secure land for such men adjacent to that on which they have been working, and so enable them to commence operations without any delay.

Mr. EWING. — Why has not the honorable member sold some of his own land to these men?

Mr. SKENE.—Simply because I cannot afford to give them such easy terms. If I were to sell land on thirty years terms, the purchase money would be of very little service to me at the time when the total became repayable. But Governments go on for ever, and can arrange such terms without any difficulty. There is another matter in connexion with which, I think, mistakes have been made. I refer to the class of men who have hitherto been placed on the land. There is, as some one has said, a submerged tenth, and they are not the people to be settled on the land. We should rather take off the top layer. The curse of this country is that we have not a sufficient number of people with a taste for a country life, and I contend that those who have gone into the provinces, and who have shown a predilection for a country life by working on stations and farms, should be the first to be assisted to settle on the soil. By removing the top layer we should raise others; the submerged tenth would gradually rise, and they in turn, having served a certain apprenticeship, would be able to go on the land themselves. Our object should be to endeavour to cultivate that country taste to which I have referred among the people of the Commonwealth. If we can give a man an incentive to work under such conditions, and show him that there is a chance of his securing a farm for himself, the battle will be half won.

Mr. SPENCE.—We need better management.

Mr. SKENE.—I agree with the honorable member. With reference to the much vexed question of the settlement of the Northern Territory, I think that recent events must have caused most thinking men to regard our position in that part of Australia as calling for very grave consideration. The question of whether we are in effective occupation of the Northern Territory is one that demands our attention. We have no prescriptive rights to the waste lands of the earth, and I doubt very much whether we can show that we are effectively occupying the Territory. There are people

of other nations who are casting about for more room for expansion, and they may cause us some trouble in this regard. Honorable members will remember that, some time before the war between Russia and Japan broke out, a newspaper, which was supposed to voice the opinion of the Russian Admiral in the East, stated that the Japanese, instead of looking to Asia to find room for expansion, would look south—to the Philippines and Australia. If Russia eventually secures a victory over the Japanese, she may still further encourage them to look in this direction. This is the only reference which I propose to make to the question of the employment of lascars crews on our mail steamers. It appears to me to be a matter for regret that, throughout our legislation, we heap contumely on people who are our own fellow-subjects. Some day we may have to rely on these very fellow-subjects of ours, to an extent that will bring home to us the true significance of what we are now doing.

Mr. FOWLER.—Does the honorable gentleman imagine that the lascars would fight for us?

Mr. SKENE.—I do not say that the lascars would do so. But I would remind the honorable member that we have in India some of the finest fighting men in the world.

Mr. FOWLER.—But the honorable member referred to lascars.

Mr. SKENE.—Only in the sense that if we heap contumely on them they may be likely to spread dissension amongst the other races of India with whom they mix.

Mr. CONROY.—We have legislated not only against lascars, but against all coloured races.

Mr. SKENE.—Exactly. There are many who think that we are a fighting people. I consider that that belief is well justified, and should be sorry indeed to imagine that we had lost the fighting qualities of our ancestors. If we had to resist an invasion of the Northern Territory, however, we might have to call upon the Indian troops to help us. If Japan ever contemplated the invasion of Australia she would attack not those ports in which we have ships and forts, but the Northern Territory. Her forces would endeavour to effect a landing as near as possible to her own base.

Mr. CONROY.—And her people would settle there.

Mr. SKENE.—Exactly. If we required the assistance of the mother country in

repelling an invasion of that kind where should we look for reinforcements? We could expect assistance only from India, and with Russia probably intriguing on the frontier of that country, we should have to fall back on Indian soldiers.

Mr. THOMAS.—Does not the honorable member think that we should be able to defeat the Japs ourselves?

Mr. SKENE.—That is very doubtful. At all events I am not prepared to thrust aside very useful assistance. The British forces in India must always be maintained at a strength bearing a certain relation to the number of native troops, and whilst we should not be able to obtain British soldiers from India we should have no difficulty in securing any number of Indian troops to assist us. The honorable member for Perth, who has referred to the non-fighting capacity of lascars, will probably remember that when the European population of Pekin was beleaguered in the British Legation, at the time of the Chinese Rebellion, the first British troops to fight their way to their assistance were the Sikhs.

Mr. FOWLER.—There is as much difference between a Sikh and a lascar as there is between a Britisher and a German.

Mr. SKENE.—I agree with the honorable member that the Sikhs and the Ghoorkas are the fighting races of India. But if we spread dissension among one race we may spread it among many.

Mr. FOWLER.—The lascars have nothing in common with the Sikhs and Ghoorkas.

Mr. SKENE.—I am aware of that fact. I was informed a few days ago that patriotic associations are now being formed in India, with a view to put the question to the British Government—"Are you going to stand entirely with your 4,000,000 of British subjects in Australia, or to have some regard for the 400,000,000 British subjects in India?" Can we wonder at the proposal to put such a question to the Imperial Government? I have no desire to deal with this matter in any parochial sense. I wish simply to consider it from the standpoint of our relations with the rest of the Empire. As a matter of fact, in the absence of those relations we should not be able to exist for one year. I should like to ask those honorable members who some time ago advocated the formation of an Australian Navy of two or three ships, what they now think of their proposition, in view of the way in which the vessels of the Russian fleet at Port Arthur were recently destroyed.

Mr. PAGE.—What about the half-dozen Japanese torpedo boats that brought disaster to the Russian vessels at Port Arthur?

Mr. SKENE.—I am familiar with the incident to which the honorable member refers, and I believe that a torpedo flotilla at Sydney and Melbourne would be one of our best means of protection. Such a flotilla, however, would be of no assistance to us in the case of an invasion of the Northern Territory. We have a coast line of 8,000 miles to defend, and sea-going vessels would be required to repel an attack on the Territory. I do not wish to deal with this matter at any great length, because it will probably come before us when the Navigation Bill is under consideration. Taking a general view of the case, I think that we are living in a fool's paradise. To my mind, though I regret to say it, Australia's attitude towards the Empire is sometimes that of the unwhipped cub, and some day we shall suffer for it. I have not much to say in regard to the Federal Capital question, except that I still think that to have a bush capital will be a mistake. I feel that if the question whether the capital should be in the bush or in Sydney were referred by referendum to the people of Victoria at the next State elections, a majority of them would vote for having it in Sydney.

Mr. MAUGER.—No.

Mr. SKENE.—I am certain of it. Every one I meet express that view. I would rather see the consideration of the matter delayed for some little time. Last session I moved an amendment, which was not seconded, to give an opportunity for further consideration, by doing away with the 100-mile limit and with the provision which makes it imperative that until the site is determined upon, the Commonwealth Parliament shall meet in Melbourne. If the Constitution were amended in respect to those two matters, we might meet in Sydney for a couple of sessions, and then go thoroughly into the whole question. I know that the people of Sydney are determined to have the capital.

Mr. DUGALD THOMSON.—Not the people of Sydney; the people of New South Wales.

Mr. SKENE.—The people of Sydney are those who are moving most in the matter. However, I shall not discuss the subject further now, because no doubt we shall have another opportunity to speak upon it. The construction of the trans-continental railway has been so often urged upon us, that I have not been able to

prevent myself from giving attention to the arguments used in support of it, and as I should be very sorry to be connected with any sort of repudiation, even of an implied contract, I feel that it might be well for the Government to authorize a survey to give us a better knowledge of the character of the country to be traversed. I do not see the need for a survey in which every level would be taken and every peg put into position, because that would be too expensive.

MR. WATSON.—The honorable member would like to see a flying survey made.

MR. SKENE.—Something a little more definite than a flying survey.

MR. McLEAN.—A trial survey?

MR. SKENE.—Yes; but I do not wish to see an expensive survey made. I understand that well inland the country is better than it is along the coast. I have received very bad reports of the country on the coast. I recently met two gentlemen who have lived at Eucla for twenty-five years, and they gave me very poor accounts of the surrounding district. They said, however, that the country is better inland.

MR. CONROY.—My information is that it is not good within 100 miles of the coastline.

MR. SKENE.—If there is a chance of passing through better country by adopting a route further inland, it would be well to survey such a route.

MR. PAGE.—Would the honorable member vote £20,000 for a survey?

MR. SKENE.—No doubt the amount is a large one, but the distance to be surveyed is very long.

MR. FOWLER.—We voted more than £20,000 to provide sugar bonuses for Queensland.

MR. SKENE.—I think that, so far as the last Parliament was concerned, we hardly came up to the expectations of the country. I should like to see this House settle to business in a somewhat different way, though I do not sympathize with all that has been said against the last Parliament. It is a matter of great regret that the whole tendency of the public mind is now to run in what I consider a wrong direction. People say—"There are too many Parliaments. Let us have one Parliament instead of seven, and thus save expense." But I say deliberately, that I would sooner see disruption than unification. The States have federated under a system which we knew thoroughly, from the experience of the

United States of America for over a century. Our Constitution preserves the individual rights of the States, and the people would make a great mistake if they did anything to abolish those rights. The cost of an extra Parliament is nothing to what might be the result of such a mistake. Considering the diversity of interests in the various parts of the Commonwealth, such as Tasmania and the Northern Territory of South Australia, for example, or Queensland and Western Australia, one Parliament could never properly deal with local questions. I hope, therefore, that the desire for unification will not grow. One of the reasons why we have not got on so well as we might have done under Federation, is because the population of two of the States is very much larger than that of the other four. No federation has ever succeeded under similar conditions. Mill, when he wrote his *Representative Government*, a few years before the war between Prussia and Austria, pointed out the difficulties of the Germanic Confederation. He showed that that Confederation would be Prussian if it were not for Austria, and Austrian if it were not for Prussia. In 1866 Austria was driven out of the Confederation, and it then became Prussian. That is a position which I hope we shall not be unfortunate enough to come to here. After the failure of the Convention of 1892, I made public, through the press, the idea that Victoria and New South Wales are too large relatively to the other States, and that it would be better to subdivide them, not only to secure community of interest, but also to give a more equal representation in the Senate. I approve of the States having equal representation in the Senate, but I think that it would be better if the populations of the States were more equal. I hope that the representatives of New South Wales and Victoria in this Chamber will recognise that they are practically all powerful in debate and voting strength, and will not create difficulties by being too assertive of their State interests. I do not say that there need be any bringing together of parties, if as the Minister of Home Affairs said to his friends of the Labour Party last night, and as I have told the honorable member for Bland before, the members of that party are prepared to go quietly, and do not push things too far, they may get as much of their legislation as is good for them. Their

ideals are worthy, but some of their methods are old and fusty. Other members are accused of being conservative, but some of their ideas are fossilized in the ancient schemes of Grecian philosophers and other bygone nations. Those ideas have failed, and have been exploded time after time, and nothing but failure can come from them so long as humanity is what it is. The members of the Labour Party do not take sufficient account of the frailties of humanity. That is my quarrel with them. They depend too much upon legal enactment. I wish to see the character of the people altered. Let us have more sympathy with each other, and then we shall not have this trouble of different parties crying for reform.

Mr. CAMERON (Wilmot).—I rise principally to express my deep appreciation of the kindly manner in which honorable members received me yesterday on my return to this House. It was extremely gratifying to me to know that after having been in the House for the greater part of three years no ill-feeling had been engendered. I was particularly pleased at the greeting I received from the Prime Minister. He was the first honorable member whom I met on entering the Chamber, and I almost fancied from the warmth of his welcome that he recognised in me either a kindred spirit, a long lost brother, or a new Postmaster-General.

Mr. DEAKIN.—Did I not tell the honorable member that the letter written by the honorable member for Darwin to the *Launceston Examiner* had secured his election?

Mr. CAMERON.—The Prime Minister must have been suffering from temporary aberration of intellect when he made the statement. I desire to reply to some of the remarks made yesterday by the honorable member for Herbert. He referred particularly to Tasmania as an example of the way in which a State might decay if a comparatively few men held the greater portion of the land within it. He instituted a comparison between New Zealand and Tasmania, and spoke of the manner in which New Zealand had advanced under the socialistic legislation passed by the Seddon Government. I do not think that it is fair to draw a comparison between a very small State like Tasmania and a Colony like New Zealand. The honorable member should have compared two States of as nearly as possible equal area, the one governed by a socialistic Government and

the other by a conservative Government. I have taken considerable trouble to find out whether the statements made by the honorable member could be borne out by facts. I find that a comparison between Tasmania and New Zealand is, after all, fairly favorable to the former. New Zealand has about four times the area of Tasmania, but one really needs to inquire whether or not New Zealand is the more fertile? According to the idea of the honorable member, the progress of Tasmania is being retarded by the fact that the greater part of the land is held by very few persons. Naturally these land-owners would desire to make the best use of their properties, and if they thought sheep were better than men they would make their land carry as many as possible. Tasmania, which, as I have already explained, has only about one-fourth the area of New Zealand, carries 1,700,000, whereas New Zealand possesses 20,000,000 sheep. It is, therefore, evident that, from whatever point it may be viewed, Tasmania is a very poor country compared with New Zealand.

Mr. FOWLER.—There may be something in the extent to which farming is carried on.

Mr. CAMERON.—I shall deal with that point presently. Although New Zealand has been for some years under the radical government of Mr. Seddon and his party, it still carries 20,000,000 sheep, whilst Tasmania, under a conservative government, possesses only 1,750,000. Let us go a little further, and ascertain how many persons are engaged in agriculture in Tasmania and New Zealand. New Zealand has a population of nearly 800,000, whilst Tasmania has only 177,000. Yet we find that New Zealand has only 67,000 men engaged in agriculture, whilst Tasmania has 20,000. According to the line of argument adopted by the honorable member for Herbert, New Zealand should have 80,000 agriculturists, instead of 67,000. In the production of minerals, Tasmania occupies the second place on the list. Western Australia stands first, and Queensland occupies third or fourth position. The honorable member for Herbert made a great point of the fact that the population of Tasmania, instead of increasing was decreasing. Before the honorable member made such an observation he should have looked at home. Last year Tasmania lost 98 persons by the excess of emigration over immigration, but Queensland, whose population all told is only 512,000, lost nearly 4,000 in the

same way. In view of these facts, I think that before selecting Tasmania for the purposes of comparison and holding it up to ridicule, the honorable member for Herbert should have made himself acquainted with the facts. If the owners of land in Tasmania are not willing to sell their properties they can be forced to dispose of them, because, as in the other States, the Government has power to resume land for the benefit of the people upon paying the ordinary valuation, plus 10 per cent. for forced sale. Therefore the remedy lies in the hands of the people of Tasmania, and is a matter of no concern to the honorable member for Herbert or any one else. I desire to make a few remarks with regard to the Electoral Act. The present Ministers are as responsible as were the former occupants of the Ministerial benches for that measure. The Government is practically the same as during the last Parliament. The tail may have been cut off, or the head removed, but the rest of the dog is there. I say emphatically that the Electoral Act is a disgrace to a Government which embraced four members of the legal profession. I do not know whether I shall have the support of the House in this matter, but I intend to spare no effort to secure an amendment of the Act. Honorable members have plainly indicated their desire to secure purity of election. When the Bill was introduced by the Prime Minister that was one of the points upon which he laid the greatest emphasis. Under the present law, however, it would be perfectly possible for any man, by the lavish expenditure of money, to secure his return to Parliament—always provided the electors were amenable to the influences of bribery. We should either let it be clearly understood that the longest purse shall be permitted to win by means of bribery, or take means to insure absolute purity of election. It is provided in the Electoral Act that a candidate for election to this House shall spend only £100 upon his election. Instead of adding, "And if he exceeds that amount he shall be unseated," the Government made no provision for a penalty. It is little to the credit of the four members of the legal profession among Ministers that they had not sufficient brains to understand that a provision of that kind, which carried no punishment, would be inoperative. I venture to say that I could buy a seat at any time if I were prepared to do so. Having declared that we desired that

elections should be pure, the severest penalty should have been imposed for a breach of the Act. Then those who were returned could have honestly said—"I represent those who elected me; I have not bought my seat."

Mr. GIBB (Flinders).—It appears necessary for every honorable member—especially a new member—to say a few words on the question now before the House. I do not propose to detain honorable members long, but I wish to give expression to a few thoughts that have passed through my mind while listening to the debate. The kind attention which has been paid to new members has made me feel somewhat nervous. Although I occupied a seat in the State Parliament of Victoria for a short period, I have not had an opportunity of addressing an assemblage of this kind for some time past, because I have been quietly farming. The events which occurred in the first Federal Parliament induced me to endeavour to secure a seat in this House, and I have done so. I am afraid that the opinion now held with regard to Federation is not so favourable as that entertained before the Union was established, and that the results have not been so satisfactory as was at one time anticipated. I do not think that the Labour Party are altogether responsible for this. Too much has been made of their influence. There has also been great wailing because of the equal strength of the three parties in the House. I maintain that the present Government are responsible for the present position of affairs. They placed their policy before the House, and were not able to carry it through; but did not place the responsibility upon the Opposition, who were able to defeat them. The readiness which they showed to effect compromises led to the present state of parties; and I am pleased to observe that the Prime Minister has promised to turn over a new leaf. I was very pleased to hear him say that he was determined to put his policy clearly before the House and to go straight on. I hope that going "straight on" will mean that he will not deviate too much to the right or to the left, or in the direction of the Labour Party. I trust that he will go straight on, and that if that course necessitates his resigning office he will do so, and let parties settle down to their proper positions. The Government brought forward an extremely protectionist Tariff, upon which they were defeated over and over again. The Tariff was torn to pieces by members of the Opposition, assisted in some cases

by the Labour Party, and the Government should, under these circumstances, have thrown the whole responsibility upon the Opposition, and have given them an opportunity to introduce something more in keeping with the desires of the House. The whole of the legislation passed has been in the nature of a compromise. I do not blame the Labour Party for securing all they could. Their declared object is to push forward their policy by every means in their power. They have been instrumental in passing legislation which, I think, has proved detrimental to the Commonwealth, and is still proving so, but, from their own point of view, they were quite justified in getting all they could. The Ministry which allowed this to be done, and not the Labour Party, are to blame. I do not propose to detain honorable members long, after having listened to the flood of talk with which the House has been deluged. It may be good policy on the part of the Government to open the safety-valve and let the surplus steam escape before settling down to practical work. I am rather disappointed with some of my friends on this side of the House. I was delighted with the speech which was delivered by the leader of the Opposition. He frankly admitted that he had appealed to the country upon the fiscal issue, and had been defeated, and that he accepted the decision of the electors. So far as he was concerned, therefore, the fiscal issue was to be laid aside during the currency of this Parliament. He is a leader of our party, and I think that it was our duty to follow his leadership. The speech next in ability made during the debate was that which was contributed by the honorable and learned member for Parkes. It was practically a motion of want of confidence in the Government, and the Address has been debated ever since upon those lines. It may have been good policy to endeavour to weaken the Government, but, seeing that the Prime Minister has attempted to bring about a coalition of parties for the benefit of the Commonwealth, and has failed, I shall be very pleased if he will go straight on with the Government programme.

Mr. CONROY.—To destruction.

Mr. GIBB.—I do not know where he is going, nor does any one else. We are informed that the very first measure which is to be introduced is the Conciliation and Arbitration Bill. To a certain extent I think the Government are to blame for having put up Minister after Minister to de-

fend their policy and administration, and thus to prolong this debate. Concerning the suggested amendment to bring the States civil servants under the operation of the Conciliation and Arbitration Bill, I intend to support the Government. I represent one of the largest farming districts in Victoria, and I stated on the hustings that if the Ministry attempted to include the farmers and producers of the Commonwealth within the provisions of that measure, I should do all that I possibly could to oppose them. So far we have never experienced any trouble with the farm labourers of this country. Our agriculturists and their employés have always got on very well without the application of any system of compulsory arbitration. I say unhesitatingly that if the Ministry apply the provisions of that Bill to the farmers of this country, they will absolutely destroy the agricultural industry. I have also the honour to represent the coal-fields of Victoria. I am sure that if honorable members were aware of the position of affairs which obtains there at the present time, they would do all that they possibly could to secure industrial peace. But whilst I am anxious to prevent strikes, I shall never support an attempt on the part of any Ministry to interfere with the farming community, thereby imperilling the very best industry that we have in the Commonwealth. I do not propose to traverse all the items which are contained in the vice-regal speech. I am of opinion that we ought to get down to practical business without further delay. We have already wasted much valuable time in the discussion of trivial matters, when more important subjects await our consideration. We have occupied a long period in debating such small questions as the selection of the Federal Capital site, and the employment of lascars upon our mail steamers, whilst great subjects, such as the conversion of the States loans have been relegated to the background. The Treasurer deserves the thanks of the entire Commonwealth for the able manner in which he placed that matter before the Treasurers' Conference, and I am satisfied that much good will result from his efforts. The sooner the problem is satisfactorily disposed of, the better will it be for the whole of Australia. As far as the selection of the Capital site is concerned, I left no doubt about my attitude upon that question during the recent elections. The opinion in my constituency is that Victoria has no desire whatever to

break faith with New South Wales. The electors, however, object to the expenditure of millions of money in establishing a Federal Capital, when there is no necessity whatever for it. Personally, I believe that the people of Victoria would welcome an amendment of the Constitution to permit of the seat of Government being located in Sydney.

Mr. JOSEPH COOK.—It would cost six times as much money to establish the capital there as it would to locate it anywhere else.

Mr. GIBB.—There is no necessity to build a Federal Capital at all. Why could not arrangements be made in Sydney similar to those which obtain here? I regret to say that that is not the worst feature in connexion with this proposal. I need scarcely remind honorable members that the leader of the Opposition attended the opening of this Parliament and made a big speech. He then disappeared, and has not since been seen in this House. The honorable and learned member for Parkes has done precisely the same thing. If we establish the Federal Capital at Bombala or Tumut, we cannot expect able professional men to devote their time exclusively to politics.

Mr. CAMERON.—That is rather a reflection upon the rest of honorable members.

Mr. GIBB.—It may be a reflection upon the Victorian representatives; but those from Tasmania, Western Australia, and Queensland must necessarily be absent from their respective States under any circumstances. We require a few able lawyers in this House; although I fear that at the present time we have too many. We do want some one to represent the farming and producing classes of this country, as we also require some representatives of labour in this House.

Mr. CAMERON.—But not too many of them.

Mr. GIBB.—I repeat that rather than vote for a huge expenditure to establish a Federal Capital, I would support a proposal to transfer the seat of government to Sydney. Of course, it is only natural that the representatives of the different States should have a special list of grievances to air. I have listened patiently to a recital of them. So far, however, I have been able to acquire no information which would warrant me in believing that the construction of the projected transcontinental railway would be likely to prove remunerative. When the Federal Treasurer suggested that the Com-

monwealth should take over the railway revenues of the different States, in order that he might be in a position to meet the interest upon the States debts, I was certainly in agreement with him. Indeed, in my judgment we shall never have a true Federation of Australia until the Commonwealth is charged with the entire management of the railway systems of this Continent. I am afraid, however, that it will be many years before the proposed transcontinental railway would pay even working expenses. If the Minister for Home Affairs can assure us that there is a considerable area of good land which would be developed by that railway, of course the aspect of affairs would undergo a complete change. But, from what I can gather, it would be simply a desert railway. It would merely connect Perth and Adelaide, and it would not develop any country worth developing between those two cities. I am satisfied that the Commonwealth could manage the railway systems of the different States much more efficiently than they are being managed at the present time. We shall never secure the consolidation of our States debts until we acquire complete control of those railways. We have had a debate upon what was practically a want of confidence motion. The speech of the honorable and learned member for Parkes constituted one of the most severe indictments which I have ever heard delivered in any Parliament. The Tariff has also been discussed again and again. I trust that the Government will submit their measures to the House, and definitely declare their policy in regard to them. If they are defeated, they should give members of the Opposition an opportunity to do something better. I was rather surprised to hear the honorable member for Southern Melbourne express a hope that the Government would compromise upon the proposal to bring States civil servants within the scope of the Conciliation and Arbitration Bill. If Ministers suffer defeat upon an attempt to apply the provisions of that measure to our farmers, I trust that they will regard it as vital to their existence. I should be only too delighted to go to the country upon that question.

Question resolved in the affirmative.

SUPPLY.

Motion (by Sir WILLIAM LYNE) agreed to—

That the House will, on Tuesday next, resolve itself into a Committee to consider the Supply to be granted to His Majesty.

WAYS AND MEANS.

Motion (by Sir WILLIAM LYNE) agreed to—

That the House will, on Tuesday next, resolve itself into a Committee to consider the Ways and Means for raising Supply to be granted to His Majesty.

CHAIRMAN OF COMMITTEES.

Mr. McLEAN (Gippsland).—I move—

That the method of election of the Chairman of Committees of this House shall be open exhaustive ballot.

If the members of this House were all old politicians it would be unnecessary for me to make any explanatory remarks; but, for the information of those who have recently entered the House, I would mention that in proposing an exhaustive ballot my desire is that, instead of our proceeding to a division after the nomination has been made, every honorable member shall have a paper handed to him bearing the names of the candidates.

Mr. THOMAS.—Why not have a division?

Mr. McLEAN.—If there were only two candidates the position would be different.

Mr. THOMAS.—The position would be the same if there were three.

Mr. McLEAN.—No. In that event the candidate whose name was first submitted would be opposed by the supporters of the other two. I propose that the successful candidate shall be elected by an absolute majority of honorable members voting, and that if there are more than two the honorable member receiving the lowest number of votes shall stand aside so that the House may proceed to make a final selection.

Mr. CAMERON.—If there were only two candidates it would be unnecessary to adopt the system proposed by the honorable member.

Mr. McLEAN.—In that event I should be quite prepared to see the House go to a division.

Mr. DUGALD THOMSON.—I can assure the honorable member that the Opposition do not propose to nominate a candidate. If more than two honorable members were nominated for the position it would then be open to the honorable member to submit this proposal.

Mr. McLEAN.—In view of the honorable member's assurance it is unnecessary for me to press the motion.

Motion, by leave, withdrawn.

Mr. McLEAN (Gippsland).—I move—

That the honorable member for Laanecoorie, Mr. Charles Carty Salmon, be appointed Chairman of Committees of this House.

It is unnecessary for me to speak at any length in support of the motion. I may say, however, that I have closely watched the honorable member's career from the time that he first entered the Victorian Legislative Assembly, and that I have also had the advantage of his counsel in Cabinet. I have likewise observed the manner in which he has, from time to time, discharged the duties of Deputy Chairman, and I have no hesitation in saying that, in my opinion, he possesses all the qualifications that are necessary for the effective performance of the duties of Chairman. I believe that he has the requisite amount of firmness, courtesy, and tact, and that if he be selected he will conduct the deliberations of the Committee with dignity, despatch, and thorough impartiality. In view of the fact that the honorable member acted as one of the Deputy Chairmen of Committees in the last Parliament, it is unnecessary for me to say more. I believe that his fitness for the position will commend itself to the judgment of honorable members much more effectively than would any argument I might advance in support of his candidature.

Mr. R. EDWARDS (Oxley).—I beg to second the motion. The honorable member for Gippsland has said all that it is necessary to put forward in support of the motion, and I shall therefore refrain from making a speech.

Mr. McDONALD (Kennedy).—I move—

That the words "Laanecoorie, Mr. Charles Carty Salmon," be omitted, with a view to insert in lieu thereof the words "Boothby, Mr. Egerton Lee Batchelor."

The honorable member whom I propose shall fill the position of Chairman of Committees is well known to this House. He has also had a long political career, has been a member of a State Ministry, and has served with great credit to his party and to himself in that capacity. I feel satisfied that he possesses the tact and ability which are requisite in one who undertakes the responsible duties of Chairman of Committees. The honorable member has acted in the capacity of Deputy Chairman for the last three years, and I believe that most honorable members will agree with me that

he has invariably discharged the duties of that position with credit to himself and with honour to the House.

Mr. FISHER (Wide Bay).—I beg to second the amendment.

Question — That the words proposed to be omitted stand part of the question—put. The Committee divided.

Ayes ...	...	29
Noes ...	...	27
—		
Majority ...	...	2

AYES.

Cook, J.	Lyne, Sir W. J.
Cook, J. H.	McCay, J. W.
Deakin, A.	McLean, A.
Ewing, T. T.	McWilliams, W. J.
Forrest, Sir J.	Quick, Sir J.
Fuller, G. W.	Robinson, A.
Gibb, J.	Skene, T.
Groom, L. E.	Smith, S.
Isaacs, I. A.	Storror, D.
Johnson, W. E.	Thomson, Dugald
Kelly, W. H.	Turner, Sir G.
Kennedy, T.	Wilson, J. G.
Knox, W.	<i>Tellers.</i>
Liddell, F.	Edwards, R.
Lonsdale, E.	Mauger, S.

NOES.

Bamford, F. W.	O'Malley, K.
Brown, T.	Poynton, A.
Cameron, D. N.	Ronald, J. B.
Carpenter, W. H.	Spence, W. G.
Culpin, M.	Thomas, J.
Fisher, A.	Thomson, D. A.
Fowler, J. M.	Tudor, F. G.
Frazer, C. E.	Watkins, D.
Higgins, H. B.	Watson, J. C.
Hughes, W. M.	Webster, W.
Hutchison, J.	Wilkinson, J.
Kingston, C. C.	<i>Tellers.</i>
Lee, H. W.	Conroy, A. H.
Mahon, H.	McDonald, C.

PAIRS.

Reid, G. H.	Willis, H.
Harper, R.	Glynn, P. McM.
Phillips, P.	Bonython, Sir J. L.
Chapman, A.	Page, J.

Question so resolved in the affirmative. Amendment negatived.

Mr. FISHER (Wide Bay).—I desire now to move a further amendment. My impression is that in the State Parliament of Queensland it is the practice to elect the Chairman of Committees from session to session. It is a very good rule, and I think it should be followed by this House.

Mr. WATSON.—Do we not elect the Chairman only for the session?

Mr. FISHER.—No. Under the Standing Orders he is elected "Until his successor is appointed." It is with no disrespect to the choice of the House that I contend that

our Chairman of Committees should be appointed from session to session. I therefore propose to move—

That the following words be added :—"For the current session."

Mr. SPEAKER.—It will not be competent for the honorable member to move the amendment that he has indicated. Standing order 215 provides that —

A member shall be appointed by the House, each session, to be the Chairman of Committees, who shall hold office till his successor is appointed, and who shall take the chair of all committees of the whole.

Any motion that would alter the terms of the standing order could not be accepted by the House.

Mr. WATSON.—Another Chairman will have to be elected next session.

Mr. SPEAKER. — Standing order 215 provides that the Chairman's appointment shall be "till his successor is appointed" — and under that provision a successor might be appointed at any moment. The honorable member's proposed amendment would, however, enable a Chairman to be elected for the whole session, and would practically remove from the House the power to make any change. It would be contrary to the standing order to accept the amendment.

Mr. FISHER.—On a point of order, Mr. Speaker, I desire to point out that all that I desire is that the Chairman shall hold office during the current session or until his successor is appointed.

Mr. SPEAKER.—That is precisely what the standing order provides.

Original question resolved in the affirmative.

Mr. SALMON (Laanecoorie).—I desire to thank the House very heartily indeed for having placed me in this very responsible position, and I hope that I shall always maintain the dignity of the very high office to which I have been elected. I trust that with the kind assistance of honorable members, recognising, as I do, that I cannot accomplish it without their aid, I shall be able to justify the choice which the House has made.

Mr. BATCHELOR (Boothby).—May I take this opportunity to thank honorable members for the very generous support which they gave to me in connexion with my nomination for the Chairmanship, and at the same time congratulate you, Mr. Salmon, most heartily upon the honour which has been conferred upon you. I am sure that you will perform the duties of

your position, as the honorable member who moved the motion upon which you were elected said in addressing himself to it, with dignity, promptitude, and despatch.

Mr. DEAKIN.—The only regret honorable members have is that they could not elect both candidates.

Mr. SPEAKER.—I shall be glad if the Chairman of Committees will take my place for a few minutes as Deputy-Speaker.

POSITION OF MR. SPEAKER.

Mr. MAHON (Coolgardie).—In accordance with notice, I beg to move—

That, in the opinion of this House, the honorable member for Wakefield, Sir Frederick William Holder, K.C.M.G., has, by his acceptance of a fee or honorarium for services rendered to the Commonwealth between the 23rd day of November, 1903, and the 2nd day of March, 1904, vacated his seat as a member of the House of Representatives.

While congratulating you, Mr. Salmon, upon the dignity to which you have attained, I would point out that, according to my reading of the Constitution, you have no right to occupy your present position of Deputy-Speaker. Of course, no one will imagine that I am now voicing any personal objection. I merely wish to point out that under the Constitution it is only in the absence of Mr. Speaker that any other member can be appointed to take his place. Section 36 of the Constitution provides that—

Before or during any absence of the Speaker, the House of Representatives may choose a member to perform his duties in his absence.

Although I am not prepared to defend the grammatical construction of that section, I contend that as, from the strictly legal point of view, the Speaker is not now absent from the House, we have no right to choose another member to take his place. I understand that Mr. Speaker merely requested you to do so.

Mr. KENNEDY.—The Standing Orders make the necessary provision.

Mr. MAHON.—I know what is provided by the Standing Orders; but no standing order can override a section of the Constitution.

Mr. McCAY.—The Constitution does not declare that there shall be no other way in which a member may be appointed to occupy the chair in the place of the Speaker.

Mr. MAHON.—I shall be very glad if the honorable and learned member will show me the section of the Constitution which makes provision for that. The section I

have read provides for the choosing of another member to perform the duties "in the absence of the Speaker." What does that mean? Is the Speaker now absent from the House in the strictly legal sense? Moreover, it is this House, and not the Speaker, who is to choose a substitute.

The DEPUTY-SPEAKER.—I will read the Standing Order bearing on the subject. I think that it will dispose of the matter. Standing Order 25 says—

The Chairman of Committees shall take the chair as Deputy-Speaker whenever requested so to do by the Speaker during a sitting of the House, without any formal communication to the House.

The section of the Constitution read by the honorable member does not prevent the Chairman of Committees from taking the chair as Deputy-Speaker on other occasions than the absence of the Speaker. I have been duly elected as Chairman of Committees, and have been requested by the Speaker to take the chair as Deputy-Speaker. I think that the honorable member will see that the proceedings so far are quite in order.

Mr. MAHON.—Personally I am very pleased to see you in the chair and presiding on this occasion, but I am perfectly well acquainted with the Standing Order which you have read, and my point is that no standing order prevails against a section of the Constitution. Can it be strictly held that the Speaker is at the present time absent from the House? If that can be seriously argued, I shall not press the matter further.

The DEPUTY-SPEAKER.—Does the honorable member contend that section 36 of the Constitution precludes the House from passing a standing order providing that the Chairman of Committees shall take the chair as Deputy-Speaker on other occasions in the absence of the Speaker?

Mr. MAHON.—I am not here as an interpreter of the Constitution. All I can do is to read its provisions, and to ask honorable members whether the conclusions I have drawn are not reasonable. If the Speaker chooses to leave the chair and to retire to another room, he can not be said to be absent from the House within the strict meaning of the Constitution.

Mr. CONROY.—Suppose he were ill, and wished to retire for a time?

Mr. MAHON.—Then the House could appoint a substitute. I do not wish to go into the matter any further now. With reference to the motion which stands in my name, I

do not think it necessary to offer any apology for my action in submitting it to the House. If this House has elected to the position of Speaker a gentleman who is not qualified to be a member, then nearly all its proceedings will be invalid. Section 35 of the Constitution enacts that—

The House of Representatives shall, before proceeding with the despatch of any other business, choose a member to be the Speaker of the House, and as often as the office of Speaker becomes vacant, the House shall again choose a member to be the Speaker.

Those being the words of the Constitution, I submit that my action in calling attention to this matter on the first day of the session, before a Speaker had been chosen, was perfectly justified. To show the seriousness of the matter, if the gentleman occupying the position of Speaker is not qualified to be a member of the House, and it is afterwards discovered that he is not so qualified, every election held in pursuance of writs issued by him will be invalid, and the validity of the proceedings of this assembly will, I take it, also be open to dispute. My object is that this House shall erect and maintain on a solid foundation the traditional independence of the office of Speaker. I should not like to see the Speaker of this House dependent upon one party or the other for any favour. From the time he reaches that Chair until the day he finally leaves it, he should feel that he has done nothing to hope for and nothing to fear from any party in this House. Again, I would say that I am justified in submitting this motion as a protest against the slipshod methods by which the Government carried the vote to Mr. Speaker through Committee. I would go further, and say that, if we condone these slipshod methods, we shall be establishing precedents which may lead to dangerous innovations later on. It is not my intention to cast any blame upon Mr. Speaker for having accepted this allowance. I say that the first wrong, if any, has been done by the Government, and the next wrong by the House which condoned their evil action.

MR. FISHER.—A majority of the House, not the whole House.

MR. MAHON.—That is so; but the majority is the House for the time being. Those who condoned that action are guilty of the greatest error; and the smallest error is that committed by the Speaker in accepting the money. I regret that some person better qualified, one with more

legal knowledge and fuller training, has not taken up the question. I have, however, with what small abilities I possess, applied myself to the study of the matter, and I can assure honorable members that I should not have taken the extreme step of submitting this motion if I had not been absolutely convinced that the position I am taking up is correct. When the Prime Minister spoke upon the opening day of the session, he said that if my argument held good it went much further than I had pressed it. He suggested that if the allowance at the rate of £1,100 yearly drawn by the honorable member for Wakefield between the 23rd November and the 2nd March had been illegally voted, no provision which this House could make for the remuneration of its Speaker would be constitutional. I cannot see how this view is to be sustained. Though the Speaker is the mouthpiece—if not the master—of this House, he is in another sense its servant. Upon him devolves the duty of giving effect to some of our decisions. He is our first executive officer. No one questions the right of the House to make provision for the payment of its other officers, and therefore I conclude that it has inherent power to make a proper allowance to its Speaker. It is probably in recognition of this inherent power that the Constitution avoids any specific authorization of a grant to the Speaker. But this authority may be inferred from section 48, and is, I think, indirectly conferred by section 49. Section 48 directs the appropriation, until Parliament otherwise provides, of an allowance of £400 per year to each member. May it not be fairly inferred from this that Parliament can, in addition, make special allowances to certain of its members who have discharged duties in and to Parliament outside those duties imposed on every member in common? Will the Prime Minister say that it cannot be fairly inferred from section 48 that the House has power to vote additional remuneration to certain of its members? I do not think that it can be doubted. Then section 49 endows this Parliament with “the powers, privileges, and immunities” “of the Commons House of Parliament if the United Kingdom.” Now one of the powers exercised by the House of Commons from immemorial times is the remuneration of its Speaker. This remuneration was fixed in the reign of William IV. (2 & 3 Wm. IV. c. 105) at £6,000 per year, payable quarterly, free of all

deductions whatever. I think that this provision should serve as a good hint to the Prime Minister in connexion with the demands made upon honorable members for the payment of the Victorian income tax. There he has a good precedent for exempting the allowances of members of Parliament from all taxation. A subsequent statute in the same reign reduced the allowance to £5,000, but apparently made certain salaries—previously payable out of the Speaker's allowance—a charge on the revenue. I conclude, therefore, that this Parliament has been partially invested with the power of the House of Commons in this regard, and that we have the right to remunerate our Speaker for his services to Parliament while he remains Speaker. But we have no authority to extend this provision beyond the life of a Parliament. This inherited power is necessarily subject to any limitations in our Constitution. We cannot put our Speaker in a position parallel to that of the Speaker of the British House of Commons, because the Constitution forbids it. Section 35 of the Constitution provides that the Speaker of this House "shall cease to hold office if he ceases to be a member." I take it that the word "if," in this connexion, is equivalent to "when;" and, therefore, that the honorable member for Wakefield ceased to be Speaker on the 23rd of November, when he ceased to be a member by the dissolution of the first Parliament. Now, the Speaker of the House of Commons is in an entirely different position. By the Statute 2 and 3 of William IV. c. 105, it is enacted—"That, in case of any dissolution of the Parliament, the Speaker of the House of Commons, at the time of such dissolution, shall . . . be deemed to be the Speaker of the House of Commons until a Speaker shall be chosen by the new Parliament." And this retention of office by the Speaker of the House of Commons over a dissolution and until his successor is elected, was confirmed by 9th and 10th Vic. c. 77. It is, therefore, apparent that, since the full power of the House of Commons has not been transmitted to us, we have no authority to continue a Speaker's allowance during the interregnum between a dissolution and the election of a Speaker by a new Parliament. It is contended that, if the honorable member for Wakefield has vacated his seat by accepting a Speaker's allowance when he was not Speaker, every other member who accepted his membership allowance before taking his

Mr. Mahon.

seat has subjected himself to a similar disability. This contention is based on the supposition that our Parliamentary Allowances Act is *ultra vires*. This Act provides that a member's allowance shall be reckoned from the date of his election, whereas section 48 of the Constitution stipulates that the allowance shall be "reckoned from the day on which he takes his seat." But this direction, as well as the amount of the allowance, is governed by the introductory words, "until Parliament otherwise provides." Parliament, therefore, is able not merely to increase or diminish the amount of the allowance, but may also vary the time when the allowance begins. And this is what Parliament has done in the Parliamentary Allowances Act. I am unable to see any similarity between the position of the honorable member for Wakefield, as recipient of a Speaker's allowance, and that of an ordinary member who has benefited by the Parliamentary Allowances Act. That Act gives no authority for the payment of a Speaker's allowance during the interval between the dissolution of one Parliament and the creation of another. The authority is found in a footnote to the Appropriation Act, which footnote some authorities regard as a direction, rather than a command. Section 83 of the Constitution very clearly provides that no money shall be drawn from the Treasury of the Commonwealth except under an appropriation made by law. Now the question is, was that footnote a part of the law?

Mr. DEAKIN.—No.

Mr. MAHON.—By that admission the Prime Minister gives the whole case away.

Mr. DEAKIN.—I do not think so.

Mr. MAHON.—I am not prepared to enter into a legal argument as to whether a footnote is or is not part of the Act to which it is attached. Authorities differ, though our Acts Interpretation Act seems decisive. The footnote is certainly part of the schedule, and the schedule is part of the Act; but section 13 of the Acts Interpretation Act says that no marginal note or footnote is to be regarded as part of an Act. That point appears to have been recently brought under the notice of the Ministry. If they knew that a footnote to an Act would not be regarded as a part of the statute, what possible reason had the Prime Minister for inserting the footnote? Why was a provision not inserted in what is known as the corpus of the Bill as one of its main provisions? If there was any doubt upon the point, why

was not the provision made in the ordinary way? It is not, at any rate, necessary to my argument to place any great reliance on mere technicalities. Whether the grant was legally or illegally made, its acceptance by the honorable member for Wakefield has brought him within purview of section 45 of the Constitution. That section declares vacant the seat of any member who "directly or indirectly takes or agrees to take any fee or honorarium for services rendered to the Commonwealth." Superficially this might be considered to forbid the Parliament from making any provision for a Speaker, because, although his services are rendered directly to the House, it is difficult to understand how a service can be rendered to Parliament which is not at the same time a service to the Commonwealth. But in view of the inherent right of every legislature to pay its own officers, and of the transmitted powers conferred upon us by section 49, it seems to me that such a rigid interpretation is unreasonable. This opinion is strengthened by the latitude conferred on Parliament by section 48, which, while providing a uniform allowance, does not prohibit extra remuneration to certain members. I should like the House to consider for one moment the position of the honorable member for Wakefield. During a period when he was not Speaker, he drew the Speaker's allowance. I do not think that fact will be challenged. If it is, I believe that evidence can be produced in support of my statement. What I wish to know is, "Was this allowance a fee or honorarium, and if so, for what was it given?" Was it a gratuity for services rendered to the Commonwealth?

Mr. CONROY.—The honorable member for Wakefield was not a member then.

Mr. MAHON.—He was a member on the 3rd December, and the present Parliament did not come into existence until the 16th December. There is no escaping from the position by any quibble of that character. However, I should prefer, if the honorable and learned member for Werriwa will permit me, to preserve the continuity of my remarks. In my reply I shall be prepared to answer any points which may be raised in the course of the debate. During the period I have specified, the Speaker received a fee or honorarium. For what was it given? Was it a gratuity for services rendered to the Commonwealth? What is the definition which is laid down by Webster of the word "fee"? That

authority says a fee is "a reward for services performed, or to be performed"; and "an honorarium" is "a fee offered to professional men for their services." I scarcely think it will be denied that the allowance which was drawn by the honorable member for Wakefield does not come within one or other of these definitions. The only question which remains to be considered is, "What was this fee or honorarium paid for?" I think the allowance fairly comes within these definitions, and, further, that it is that character of payment which this section of the Constitution penalizes. The only question remaining for our consideration is "For what services was this allowance paid to the honorable member for Wakefield?" Speaking off-hand, I would say, that if Parliament chose to vote a sum of money to any gentleman as a gratuity, it would be perfectly within its rights, and the individual concerned would be equally within his right in accepting it. But when this allowance is bestowed upon a member of the House, the obvious conclusion is that it was given for some service. Was that service rendered to Parliament? How could it possibly be? Upon the 23rd November, the first Parliament was dissolved. This service was continued from 23rd November until, I presume, the 2nd March. Was that allowance granted for any service rendered to this Parliament? That could not be so, because, strictly speaking, this House did not come into existence until the 2nd March. At any rate, the conclusion is irresistible that it did not exist before the 16th December. Therefore, I hold that the honorable member for Wakefield, having drawn an allowance between the 3rd December and 16th December, has placed himself within the penal sections of the Constitution. Now, I desire to show that this money was not, in any sense, a gratuity to him. I shall prove that by the *Hansard* reports of speeches which were made in this House by Ministers and other honorable members. The Appropriation Bill first came up for discussion—or, at least, the particular portion of it with which I am now dealing—upon the 15th September last year. On that occasion the honorable and learned member for Angas drew attention to a certain footnote. He said—

I hold that this is unconstitutional. If it is to be done, it should be done by Act of Parliament. Even then I doubt whether an Act can override the Constitution.

There is no doubt that no Act which we can pass can override the Constitution. Then follows a statement from a gentleman in an authoritative position. I refer to the Treasurer. What did he say in regard to the item which was challenged by the honorable and learned member for Angas? He said—

I would point out that there is nothing in the Constitution which prevents the payment of his salary to Mr. Speaker during the general election. The Prime Minister entertained a doubt as to the power of the House to pay the Speaker while he is Speaker, whereas the Treasurer thought that we have a right to pay him when he is not Speaker. That is a most extraordinary position for two Ministers to occupy. Then the Treasurer added—

It is quite competent for Parliament to vote this amount if it thinks that it is a fair, reasonable, and proper thing to do. I have been actuated in placing the item upon the Estimates by the fact that the difference in the case of the President and Mr. Speaker would otherwise be very marked. The President would be entitled to receive his salary for the full period, while Mr. Speaker would not. It is said that honorable members lose their salary during a general election. So does Mr. Speaker. He loses his ordinary salary as a member, but we propose that he shall not also lose his salary as Speaker.

Mr. A. McLean.—As Speaker he does not receive his ordinary member's salary?

Sir George Turner.—Yes. He receives £400 a year as a member, and £1,100 a year as Speaker.

I invite the attention of honorable members to what follows:—

Of course the salaries of Ministers are paid after a dissolution of Parliament until the meeting of the new Parliament, because they must continue to carry on their administrative work. In the same way it will be necessary for the Speaker, during the interval between the dissolution of one Parliament and the meeting of the next, to attend to his share of the business connected with the Departments of Parliament.

There is a statement by the Treasurer that a gentleman who ceases to be Speaker when a dissolution takes place is entitled to discharge the duties of Speaker, although he is not even a member of the House. As evidencing the wide difference of opinion which existed between Ministers themselves, I would direct the attention of honorable members to a question which was put by Senator Matheson to the Vice-President of the Executive Council, on 18th August, 1903.

Mr. GROOM.—Does the honorable member contend that the Speaker had no right to receive remuneration during the time that he was not a member of this Parliament?

Mr. Mahon.

Mr. MAHON.—I am not referring to his member's allowance at all.

Mr. GROOM.—But the honorable member says that he performed certain duties when he was neither member nor Speaker.

Mr. MAHON.—I say that the honorable member for Wakefield incurred no penalty by reason of receiving money for services rendered when he was not a member of this Parliament. From the 23rd November until the 3rd December, he could not incur any constitutional penalty for having accepted an allowance, because, at that time, he was not a member of this Parliament. But, on 3rd December, he became a member by reason of his re-election, and by receiving the allowance from that date onwards he undoubtedly exposed himself to the penal sections of the Constitution. When the honorable and learned member for Darling Downs interjected, I was emphasizing the difference of opinion that existed between Ministers themselves. The Treasurer had declared that the gentleman holding the office of Speaker was entitled to discharge all Executive functions. Only a month previously, in the other Chamber, Senator Matheson had put the following questions to the Vice-President of the Executive Council:—

1. Do not the functions of the President and Speaker under the Public Service Act only appertain to them while lawfully President or Speaker?

2. By what legal right, power, or authority can duties vested by law in the President or Speaker be performed by a person who by the Constitution is no longer President or Speaker?

To which the Vice-President of the Executive Council had replied as follows:—

1. Yes.

2. The administrative functions of President and Speaker will be exercised as the circumstances arise in accordance with the law, and no payments will be made to them except in accordance with the law.

I think that a payment has been made to the Speaker which is not in accordance with law, and I shall be very glad to hear the Prime Minister defend the legality of his action. When this matter was again under review, on 21st October, 1903, the Prime Minister himself said—

I wish to direct the attention of honorable members to an item which relates to our own Chamber. Upon a former occasion the Committee decided to strike out the footnote upon page 8 which relates to Mr. Speaker, and which reads—"If again returned to Parliament, salary to continue, notwithstanding the dissolution, until the meeting of the new Parliament." That has been re-inserted in order that Mr. Speaker may be placed in the same position as the President of the Senate and certain Speakers elsewhere.

At another stage, when the honorable member for Kennedy questioned the right of the House to vote this amount, the Prime Minister interjected—

We have power to vote salaries to honorable members in respect of the same period.

That is, the period between the dissolution and the creation of the new Parliament. The Prime Minister said later on—

We are asked to vote £1,100—which represents a full year's payment to Mr. Speaker. The money will be paid to Mr. Speaker, but, if he is not returned, his salary of course will cease on the day that he fails to secure re-election. On the other hand, if he be returned, he will receive the full sum of £1,100 for his twelve months' service, notwithstanding that there will be a month or more during which he will be out of office. The foot-note is simply a beacon-light to honorable members, so that they may not be taken by surprise.

These quotations, I imagine, dispose of the suggestion that this grant was intended as a gratuity. Then, for what was it given? As I explained on a previous occasion, the allowance could not have been drawn for services rendered to the last Parliament, because it was dead; and any duty which the honorable member for Wakefield had performed as Speaker was obviously fully paid for by the allowance which he drew up to the date of the dissolution. If this dictum be disputed, why was the allowance to honorable members summarily stopped when the House was dissolved? Section 48 directs that members "shall receive an allowance of £400 a year." I say that those who defend a payment, as Speaker, to a person who is not Mr. Speaker, must logically advocate payment, as members, to persons who are not members. If it be proper to pay a person who filled the office of Speaker the salary of Mr. Speaker until his successor is appointed, then it is equally proper to pay members their constitutional stipend until some other persons take their places. The notion that members have no duties to perform outside this House or until they take their seats in it, or even before they secure re-election, will be repudiated by every person possessing the most elementary knowledge of the facts. This is my case. I contend, in the first place, that Parliament had the authority to pay Mr. Speaker, and I think I have proved that contention. My second point is, that it has no authority to pay Mr. Speaker's allowance to any person not acting in that capacity.

Mr. CONROY.—It can make a grant to any person.

Mr. MAHON.—It can make a grant by way of a gratuity, but if it makes to a mem-

ber a grant which he accepts, then his seat becomes vacant. My third point is that the grant made to the honorable member for Wakefield during the period from 23rd November last to the date of his re-election was illegal, since it is in conflict with section 83 of the Constitution; and, lastly, I hold that the honorable member, by accepting this money, has vacated his seat. I desire to thank the House for the kindly hearing that has been given to a very dry argument, and to say that I have not been led to take up this matter by reason of any personal feeling. I consider it to be the duty of every honorable member, however humble his position, to endeavour to see that the Constitution and the laws of the Commonwealth are upheld. That is what I have endeavoured to do; and having done it, I am content to remit the issue to the judgment of the House.

Mr. DEAKIN (Ballarat—Minister for External Affairs).—I do not think that the honorable member owed the House any apology for having addressed it on this subject, or at such length. It is very evident that he has taken pains to qualify himself to express his opinions on the question by a careful, elaborate and thorough study of the whole matter. Indeed, he appears to have unnecessarily involved himself in a number of inquiries, all of which, I may say in passing, he has conducted with great skill. That he has, as far as possible, mastered all the issues which he believes to be involved, no one who has heard him can doubt, and I am sure that the House will admit that he has discharged his duty in a worthy manner. He has shown, if I may say so, a great deal of judgment in the manner in which he has framed his proposal. At first sight one would have been tempted to attack this question rather on the ground that the breach of section 49 related back to that part of section 45 which refers to an office of profit under the Crown. I dare say that the honorable member examined that proposition, and finding that it could not be sustained concentrated his attention—

Mr. MAHON.—I did not mention it.

Mr. DEAKIN.—I was under the impression that the honorable member referred to it on the first occasion upon which he brought this question before the House. Like a skilful general, he has now marshalled his forces against what he saw to be the weakest position. He

has this ground for his contention that, so far as my knowledge goes, no such provision as that on which he relies is to be found in other statutes relating to the office of Speaker. The history of the section throws a good deal of light upon its meaning. The provision of the Constitution that, if a senator or a member of the House of Representatives takes any fee or honorarium for services rendered to the Commonwealth, his place shall thereupon become vacant, was adopted by the members of the Convention after an earnest and, at times, somewhat heated discussion. Their object was to prevent members of the legal profession who might be members of the Commonwealth Parliament, from appearing for the Commonwealth in the High Court, or in any of the Courts of the States. It was alleged that this privilege which is possessed by the legal members of most other Parliaments of appearing in the Courts for the Crown, had been abused, or was subject to abuse, and the Convention therefore decided to lay down a new rule, and to prohibit members of this Parliament from accepting Government retainers. As no doubt honorable members are fully aware, the term "honorarium" is the customary word for describing the payment made to a barrister. The ancient doctrine was that he was not paid for his services, and the little pouch at his back was the receptacle for any honorarium a grateful client might be pleased to offer.

Mr. KINGSTON.—The provision in the Constitution is aimed at preventing the giving of Government patronage in the Courts.

Mr. DEAKIN.—Yes. But, of course, it is possible to aim at one particular mischief, and to bring down a great deal more than is aimed at. The honorable member for Coolgardie has quite legitimately argued that the words, "fee or honorarium," should be taken to have their natural and ordinary meaning. It is very gratifying that at every stage of his remarks he showed that his action is absolutely impersonal. He has drawn his bow, not at the honorable member for Wakefield, but at what he considers a possibility of abuse arising out of the relations of the Speaker and Parliament. He recognises that no demerit or error of any kind is to be attributed to Mr. Speaker, because the payment was made to him with the sanction of Parliament, upon the proposition of the Government, and the whole transaction had the fullest publicity. There

is no suggestion of anything underhand or improper. The question is simply one of technical law; whether the payment to the Speaker for services rendered to the Commonwealth between the date of the dissolution of last Parliament and the meeting of this for services rendered during that period is, or is not, a contravention of paragraph 3 of section 45 of the Constitution. The honorable member has admitted, and it helps my argument a little, that provision for the payment of the Speaker during the time that elapses between the dissolution of one Parliament and the meeting of the next is customary elsewhere. It is provided for by law in England, and in one or two of the States, and by custom in others of the States. Moreover, it has been recognised as a reasonable payment. Therefore, it was not a new departure for this Parliament to sanction. Moreover, it is not a special payment to be made to this Speaker and to no other; it is a payment to be made to all Speakers. The only question is, as to the way in which it has been made. The solution of the question appears to lie in a rather stricter reading of the language of the Constitution than the honorable member has given to it, though he touched upon all the readings. The interpretation which it seems to me necessary to place upon this part of the Constitution requires close attention to two sets of words—"fee or honorarium," in the first place, and "services rendered to the Commonwealth," in the second place. First of all, is this payment a fee or honorarium? The honorable member brought to bear upon that point a variety of considerations; but he did not deal with it from what I thought would have been his main ground. It must be remembered that the foot-note in the Estimates is not a legal enactment, and was not intended to be so. It was placed there to challenge the attention of Parliament to the item to which it referred. The appropriation of the money was sanctioned and made available by the Appropriation Act, and it would have been competent for the Government to pay the Speaker £1,100, even if no foot-note had been inserted.

Mr. WATSON.—And the £1,100 could be paid in a lump sum.

Mr. DEAKIN.—Yes. on the first day of the year, if it were thought proper to so pay it. The foot note was, as I said at the time, a mere beacon-light, so that there should be no secrecy about the

matter. It was intended to call the attention of honorable members to what was proposed. The words used were—

If returned again to Parliament, salary to continue notwithstanding the dissolution until the meeting of the new Parliament.

The foot note had no legal effect. It merely indicated the intention of Parliament. It must be noticed here that the amount paid is not a fee or honorarium, but salary. If my honorable friend will refer to the speech of the Treasurer he will see that, throughout, the word "salary" is used. The money was voted as salary. Whatever was received between the date of the dissolution of last Parliament and the meeting of this was part of a salary, and not a fee or honorarium. The next point is that to render a member's place vacant a fee or honorarium must be taken "for services rendered to the Commonwealth." The honorable member for Coolgardie stated very fairly that it is hard to discriminate between the Commonwealth and Parliament, or between the Commonwealth and any other agency of the Commonwealth. There would be a difficulty if the section did not itself discriminate by showing that where it refers to services rendered in Parliament it does not refer to services rendered to the Commonwealth, and where it refers to services rendered to the Commonwealth it does not refer to services rendered in Parliament. I submit to the honorable gentleman's consideration that the money paid was for services rendered in Parliament, as distinguished from services rendered to the Commonwealth. The assumption of the honorable member is that Parliament was not in existence after the dissolution; but I think that such an assumption is not supported by fact. In the first place, half the members of the Senate were not compelled to seek re-election, and, therefore, did not cease to be members of Parliament, and in the next place the Governor-General, as representing the King, is part of Parliament, and he, of course, remained in office. Then from 3rd December those who, like the honorable member himself, were fortunate enough to be returned by appreciative constituents without opposition, were members of this House. Consequently I think that it cannot be said that Parliament had ceased to exist.

Mr. MAHON.—Was there a complete Parliament until the 16th December?

Mr. JOHNSON.—There is not to-day.

Mr. DEAKIN.—That is so, because at the present time the Melbourne seat is vacant.

Mr. FISHER.—Does not a quorum constitute a complete Parliament?

Mr. DEAKIN.—No. A quorum is the number of members necessary to constitute an effective meeting of one branch of the Legislature.

Mr. MAHON.—My point is that this House did not come into existence until the 16th December.

Mr. DEAKIN.—The services were rendered to a part of Parliament. Parliament itself under our system of government, has a continuous existence. Even if there were a dissolution of both Houses, it might be argued that Parliament still continued to exist, because the Governor-General, who is part of Parliament, would still remain in office. The services rendered by Mr. Speaker were distinctly services rendered to Parliament. They had to do with the administration of the Parliamentary Departments—the control of the officers of the House, the management of the library, the building, and so forth. To pay the salaries of these officers special appropriation is made for Parliament, whereas advocates appearing in the Courts on behalf of the Commonwealth would be paid out of the general purse. Although at first sight, especially when supported by his arguments, the contention of the honorable member seems difficult to answer, when account is taken of the difference between a fee or honorarium and a salary, and between services rendered to Parliament and services rendered to the Commonwealth, the difficulty disappears. The only services rendered in Parliament for which it is forbidden to take a fee or honorarium under section 45 are services to any person or State. That is, members are prohibited from appearing in Parliament as the paid agents of a State or of private individuals who have interests which they wish represented and advanced. The honorable member fairly admitted that, although there is no provision for the payment of Mr. Speaker under the Constitution, it may be fairly contended that, under section 49, and in accordance with the general custom of Parliaments, that payment is legitimate in the same way as are the payments made to the President and the Chairmen of Committees in both Houses. There is no specific authority in the Constitution for the payment of those salaries; but they are

sanctioned by the general practice of Parliament under section 49 of the Constitution. Having admitted so much, I think that the honorable member admitted all that is necessary to meet his own contention, taking the words of section 45 strictly into account. Services rendered in Parliament, when they are distinctly such, are not services within the prohibition of section 45. I might dwell at greater length upon this argument, but it appears to me that this statement of the central point is sufficient. If I do not follow the honorable member in all his arguments, it is because I think that having admitted so much, his remaining contentions are unavailing. From his own stand-point, however, and without that admission, they were, of course, logical and effective.

Mr. MAHON.—What is a salary paid for?

Mr. DEAKIN.—For services rendered.

Mr. MAHON.—What is a fee paid for?

Mr. DEAKIN.—A fee is paid where the relationship between the person paying and the person performing the service is merely temporary. It is paid generally for special services performed only at special times or on special occasions, services such as those of a doctor or lawyer. A salary is paid to a person whose service and remuneration are constant.

Mr. MAHON.—Is not the fee also paid for services rendered?

Mr. DEAKIN.—Both are payments for services rendered; but, whereas a salary is regularly paid for continuous services, a fee or honorarium is a payment for occasional services. Each payment terminates a contract, and leaves the person who makes it free to choose whom he will employ on the next occasion. Where a salary is paid there is a contract on the one part to serve for a certain time, and on the other to employ to the exclusion of others. Such a contract is made in the case of the Speaker.

Mr. MAHON.—How could Parliament make a contract with the Speaker extending beyond the date of its dissolution?

Mr. DEAKIN.—Easily. By an Act of Parliament we could provide for the payment of a pension to the Speaker for a period of years, or for the term of his natural life even though he should cease to be Speaker or to be a member of Parliament. The real point, I submit, is that which I have just stated, though it is hardly fair to ask the honorable member to conclude upon it immediately, he not being

a professional man. To listen to him, however, one might have supposed that he was, so close was the attention he gave to the subject. But if he takes time to look at the matter again, and places a reasonable, plain, and ordinary interpretation upon the words of section 45 of the Constitution, he will see that the general power to which he has alluded supports the contention that we are justified in paying the Speaker of this House in the same way as the Speaker of practically every other Parliament of Australia, and the Speaker of the House of Commons, are paid. We are not forbidden by the Constitution to do what has been done.

Mr. CONROY (Werriwa).—I must dissent from the motion moved by the honorable member for Coolgardie. I think he overlooked section 1 of the Constitution, which provides that—

The legislative power of the Commonwealth shall be vested in a Federal Parliament, which shall consist of the Queen, a Senate, and a House of Representatives, and which is hereinafter called "The Parliament," or, "The Parliament of the Commonwealth."

We must give a strict reading to that section, or we can give no meaning to section 48, which says—

Until the Parliament otherwise provides, each senator and each member of the House of Representatives shall receive an allowance of four hundred pounds a year, to be reckoned from the day on which he takes his seat.

If the strict reading adopted by the honorable member for Coolgardie were applied to section 48 it would have no meaning whatever. Section 45 refers to "any fee or honorarium for services rendered to the Commonwealth." The services rendered by the honorable member for Wakefield are not rendered to the Commonwealth; they are not even rendered to the Parliament, but to the members of this House. Furthermore, the duties discharged by the honorable member for Wakefield do not come within the scope of the phrase "services rendered in the Parliament to any person or State." Therefore, it seems to me that the objection raised by the honorable member falls to the ground. Section 1 of the Constitution furnishes us with a definition of the Commonwealth. It provides that—

The legislative power of the Commonwealth shall be vested in a Federal Parliament, which shall consist of the Queen, a Senate, and a House of Representatives, and which is hereinafter called "The Parliament," or "The Parliament of the Commonwealth."

The services of the Speaker are, therefore, not rendered to the Commonwealth, but to the members of this House, who are perfectly within their rights in determining what fee or honorarium shall be given to him for such services. If the extended construction suggested by the honorable member for Coolgardie were given to section 48 it would have no meaning, because we could not make any allowance to honorable members. In cases where, in the event of an extended meaning being given to one section, another would be deprived of all meaning, the limited meaning must be given in the first case, so that both sections may be allowed to have force. If the House agreed to give a person some consideration for services rendered whilst he was not a member and the payment were deferred until he became a member, we could not say that his acceptance of the payment would involve a breach of section 45. If, on the other hand, the honorable member for Wakefield received consideration for services rendered whilst he was not a member section 45 could not in any way apply to him. A payment made to an honorable member would come within the scope of section 48. There is nothing in that section to disentitle us, as a House, to vote what we like to any individual member as an allowance for special services. The words of the section are—

Until the Parliament otherwise provides each senator and each member of the House of Representatives shall receive an allowance of four hundred pounds a year, to be reckoned from the day on which he takes his seat.

Parliament has otherwise provided, and it appears to me that it has acted quite within its rights. If it be contended that we ought not to single out one member for special treatment that is an entirely different question. I submit that we have done nothing contrary to the Constitution Act, but if we had placed the honorable member for Wakefield in a false position I take it that we should not, under the circumstances, stultify ourselves by making him suffer from a fault that was not his, but ours. There is no necessity, however, for us to fall back upon that. We cannot apply to the Constitution the narrow meaning claimed by the honorable member for Coolgardie, unless we at the same time agree that not one member of this House is entitled to any allowance from the day he becomes a member until he takes his seat. I am very thankful to the honorable member for having

brought this question before the House. When the Appropriation Bill was before us I thought there was a very sound constitutional objection to be taken to the course proposed by the Government, and it was not until I had referred to section 1 of the Constitution, which defines the word "Commonwealth," and had read sections 45 and 48 in conjunction, that I formed a different opinion. I commend section 1 to the honorable member's attention. If we had placed the honorable member for Wakefield in such a position as the honorable member for Coolgardie would have us believe, it would be our duty, in justice to the Speaker, to strain the law if necessary. That, however, is not necessary, so far as I can see. I have no hesitation in voting against the motion.

Mr. MAHON (Coolgardie).—I am afraid that I have not been able to follow the honorable and learned member for Werriwa through his argument. I see nothing in section 1 of the Constitution, except a definition of the repository of the legislative powers of the Commonwealth. There is nothing in that or in any other section of the Constitution which entitles us to whittle down the prohibition contained in section 45. Section 48 is also very clear. It allows this Parliament a certain amount of latitude in regard to the payment of allowances to members—both as to the amount and also as to the time at which the remuneration shall commence.

Mr. CONROY.—Suppose that the honorable member for Wakefield takes his allowance as a member who has been specially singled out, but still as a member.

Mr. MAHON.—An honorable member under the Parliamentary Allowances Act, is entitled to his allowance from the date of his election.

Mr. CONROY.—The Speaker simply receives more than do other members; that is the only difference.

Mr. MAHON.—Not at all. Whilst I appreciate the Prime Minister's skill in dealing with this matter, I am not able to accept his conclusions. Whatever the reasons were for inserting in section 45 the words "fee or honorarium," he has not conclusively shown why in this case their plain and obvious meaning should be disregarded. The Prime Minister has endeavoured to draw a distinction between a "fee or honorarium" and salary, but the main point is that the money, whatever name we may give it, paid to the honorable

member for Wakefield, was given for services rendered to the Commonwealth by a member at the time when he was not qualified for the position to which that particular allowance was attached. That is the whole point. I do not think that I need discuss the other aspects of the question, because the Prime Minister has admitted that the foot-note to an Act is not part of the law. Therefore, from my point of view, that amount has been illegally paid. The Speaker's allowance is fixed in the schedule at £1,100 per year. The authority for paying portion of it during the period when he was not Speaker is the footnote to which I have referred, and the Prime Minister himself has admitted that that authority is illegal.

Mr. CONROY. — No; the Appropriation Act itself is the power which grants it.

Mr. MAHON.—Can the honorable and learned member point to anything in that Act which declares that the Speaker shall be paid during the interregnum between the dissolution and the creation of a new Parliament, when he is not Speaker?

Mr. CONROY.—Then no penalty can fall upon him. He is paid the salary as a member and not as Speaker.

Mr. MAHON.—I beg to differ from that view. If the honorable member for Wakefield had been paid his salary as a member he would have drawn only £400 a year.

Mr. DUGALD THOMSON.—The Prime Minister stated in a previous debate that the honorable member for Wakefield was paid as Speaker, and not as a member.

Mr. McCAY.—He was paid because he was Speaker.

Mr. MAHON.—When the honorable member for Wakefield drew his allowance up till the period of the dissolution, he drew full payment for the services which he had rendered.

Mr. CONROY.—Those services were rendered to the Commonwealth.

Mr. MAHON.—No; the services rendered up till that period were rendered to the former House of Representatives. Any services performed by him after that House ceased to exist, and before this Parliament came into being, must have been services rendered to the Commonwealth. That is the point which has not been fairly grappled with. The Prime Minister has contended that as the allowance in question was salary the House had power to continue it.

Mr. DEAKIN.—Either to continue it, or to pay it in advance, whichever it preferred.

Mr. MAHON.—That might be so, had the money been paid before the dissolution took place. Seeing that it was received in instalments, and that portion of it was paid after the honorable member for Wakefield had been re-elected, I contend that his action in accepting it has brought him within the penal sections of the Constitution. However, I brought this matter forward, not with a view of forcing it to a division, and of placing any honorable member in an unpleasant position. I recognised that if I failed to prove my case to the satisfaction of the House, no more need be heard of it. If, on the other hand, I had made out a good case, and nothing satisfactory had been advanced upon the other side, I felt sure that the fine sense of dignity and honour possessed by the honorable member for Wakefield would have induced him to do what was proper under the circumstances. Therefore, there is no necessity to press the motion to a division, and, with the concurrence of the House, I shall withdraw it.

Motion, by leave, withdrawn.

ORDER OF BUSINESS.

Mr. WATSON (Bland).—I understand that the Government are willing to now afford the House an opportunity to discuss the motion of which I have given notice, in reference to the proposed introduction of Chinese labour into the Transvaal.

Mr. DEAKIN (Ballarat—Minister for External Affairs).—As I mentioned last night, if a resolution on the subject to which the honorable member for Bland refers is to be arrived at, it must be arrived at at once; otherwise it will be fruitless. At all events, it is at present apposite; and, under the circumstances, in order that there may be no interruption to the consideration of the Arbitration Bill when it has been once commenced, I have pleasure in acceding to the request of the honorable member. I move—

That the consideration of the remaining business be postponed until after the consideration of Notice of Motion No. 8.

Question resolved in the affirmative.

CHINESE IN THE TRANSVAAL.

Mr. WATSON (Bland).—I move—

That this House records its grave objection to the introduction of Chinese labour into the Transvaal, until a referendum of the white population of the Colony has been taken on the subject, or responsible government is granted.

My object in submitting this motion is to supplement, in as emphatic a form as is

consistent with the position we are permitted to take up on a subject of this character, the action of the Government a little while ago. During the debate on the Address in Reply, I took the opportunity to congratulate the Government on the fact that they had assumed the responsibility of protesting to the Transvaal Government against the proposal to introduce Chinese labour into that part of South Africa. In making that protest, the Government, without doubt, spoke for the vast majority of the people of the Commonwealth. Personally, I should have liked to see the communication directed to the British Government, believing that possibly that course might have proved a more effective form of remonstrance; and the representations made by the Prime Minister of New Zealand had, in my view, sufficient force behind them to justify that step. In any case, the fact remains that the Government have placed on record their protest, and it is proper that this House should be given an opportunity at the first available moment of ascertaining whether the feeling on the subject is as strong within this Chamber as we believe it to be outside, and as strong as the Government assumed it to be when they took the course they did. It may be contended that we have no right to interfere with the affairs of another portion of the British Empire; in fact, some people go so far as to say that action of that sort may have a reflex effect, and possibly injure ourselves in some contingency of the future. But I do not think that such a result is at all likely. In the first place, we have a right to make known our views on a question on which we in Australia are peculiarly able to speak.

Mr. KELLY.—The honorable member will, I think, see that to make an objection is different from stating our views; it amounts almost to a direction.

Mr. WATSON.—It is rather a refinement to make such a distinction. After all, the fact is that, in the interests of the Empire as a whole, we view with apprehension the introduction into South Africa of large bodies of coloured aliens. If we hold that view—if we think it is against the interests of the white people of South Africa, and against the interests of the Empire of which we form a part, and in regard to which, whether we like it or not, we have to take some responsibility—if we must always share to some degree in the trials and possible future troubles of the Empire, surely we have a right to make known our views as well as

to mentally register amongst ourselves any objection to the course proposed.

Mr. KELLY.—Can the honorable member not frame his motion so as to simply register our conviction, and let the British Government know it?

Mr. WATSON.—I do not know whether the honorable member is aware that the wording of the motion as proposed is somewhat different from its wording as it appears on the notice-paper.

Mr. KELLY.—I understand that the motion, instead of emphatically protesting, now simply records our grave objection to the course proposed. I do not think, however, that we have a right to record our objection, although we may have a right to record our opinion.

Mr. WATSON.—That aspect may be considered later. At present I do not see sufficient importance in the suggestion made, to justify my accepting it on the spur of the moment. In any case, the honorable member will have an opportunity to address the House. My main contention is that we have a partnership interest in South Africa. It was demonstrated only recently throughout Australia that, not only have we an interest in the concerns of the Empire, but that that interest may go so far as to involve the sending of our own people to take part in a war in which the Empire is engaged. Although there may always be doubts as to the propriety of taking action in any particular instance—doubts as to whether the circumstances are serious enough to warrant our interference, or assistance being offered by us—there does not seem any possibility of doubt as to the general responsibility we hold as an integral portion of the British community. Therefore, I think that we have some right to express our views, and, if necessary, represent those views to the British Government. One circumstance seems to me to make this peculiarly a case in which we have the right to interfere, even if the other circumstances did not warrant our taking action. While we certainly ought to consider seriously before raising any objection or taking exception to a course proposed by a self-governing community, we know that the Transvaal is administered by Crown nominees, and that it is impossible, under present circumstances, for the people of that Colony to express any views of a coherent or clear nature on a matter of such grave importance in its eventual results to themselves. Therein it seems to me lies a

distinction between the people of the Transvaal and ourselves. It has been said that if we once admit the propriety of any portion of the Empire interfering in the concerns of another, we in Australia may render ourselves liable to a protest being made by some portion of the British community against any action of ours, and in this we may hamper our independence. But we in Australia have been granted by the British Government the right to control our own affairs, in that we have the fullest measure of self-government; and whatever course may be decided on in the government of the Commonwealth, it is fairly reasonable to assume has behind it the united weight of the people of Australia. The circumstances are so different in the Transvaal, that we are safe from the possibility of any action of ours operating in boomerang fashion against ourselves; and I contend that the phraseology of the motion should free us from any danger such as has been anticipated. We do not say in so many words that the people of South Africa shall not have Chinese if they want them, but simply that until a referendum of the people of the Transvaal shall have been taken, and their will ascertained, or until the people have been granted responsible government, and thus afforded an opportunity, by ordinary methods, to give expression to their views, we have grave objection to the course proposed. I have taken care, as far as I can, to put the motion in a form to which no exception can be taken on the part of any one who believes that it is inimical to the interests of the Empire, and to the interests of South Africa that Chinese labour should be introduced. There is one feature which I think requires the attention of honorable members. When trouble occurred between the Boer Government and the British authorities in the Transvaal, we were told by Mr. Chamberlain and those associated with him, that the sole concern of the Imperial Government was the welfare of the Uitlanders, and a desire to see justice done to people who had gone to South Africa, and who, while endeavouring to develop the country were being subjected to conditions utterly inconsistent with freedom. We were told that it was essential to counteract in some way the Boer conspiracy, which had for its object the driving of the British people out of South Africa. Yet, after all this grave anxiety for the welfare of the Uitlanders, we now find an endeavour

Mr. Watson.

being made by the deputies of the Imperial Government, and assented to, so far as the principle is concerned, by the Imperial Government, to drive the British out of South Africa, or, at any rate, out of the Transvaal. The British Government, it seems to me, are taking a step which must inevitably result in driving all the white proletariat, at all events, out of the Transvaal. It will be practically impossible for any large number of white people to settle in South Africa if this immigration of Chinese workers is permitted to the extent we are assured is necessary in order to carry on the mining industry. It may be said that this is not likely to be the case. We must remember, however, the political motives which, on the part of the mine-owners, underlie this movement. It has been said by the manager for Mr. Eckstein, a director of the South African mines, that as soon as the Chinese arrive on the properties under his control, he will be able to dispense with the services of 1,000 unskilled white labourers. The *Rand Mail*, which is looked upon as one of the organs of the Chamber of Mines, states, in fact, that this question of Chinese labour arises out of the determination of the mine-owners that they cannot allow the Transvaal to be flooded by white labour, who will introduce there all the political difficulties that exist in Australia. That is one of the underlying features of this movement on the part of the mine-owners.

Mr. HUGHES.—They do not want to have a democracy, but an oligarchy.

Mr. WATSON.—Quite so; the mine-owners want to have an oligarchy to serve their turn. But from the stand-point of the future of the country, and the welfare of the British race, how will it serve the turn of the British people to have an oligarchy of mine-owners, reaping dividends running up to 180 per cent. on boom flotations—that is to say, on nominal capital, out of all proportion to the actual amount spent in the development of the mines? When we find the mine-owners reaping rewards of that magnitude, I ask the question: how is it going to serve the turn of the British Empire to have the Transvaal inhabited by a few individuals, the largest proportion of them foreigners in every respect so far as concerns British blood and sentiment, and by a large body of servile people? I maintain that that cannot be of any advantage from the stand-point of the advancement of the British Empire. Bleloch, in an excellent work

recently published—*The New South Africa*—points out that the only manner in which the Transvaal can be kept permanently in touch, in sentiment, with the people of Great Britain, is to insure that British immigrants shall be encouraged to go there. It seems to me that those who take that stand have struck the keynote. It is useless to expect to have in the future—that is to say, probably, twenty years hence—any real bond existing between the people of the Transvaal and the people of Great Britain, unless a large proportion of the population is comprised of those who are either immigrants from Great Britain or the descendants of immigrants. Therefore, it seems to me that the general welfare of the Empire is concerned. The only safe method in the planting of colonies and the acquirement of territories now, as in ancient times, has been that they may grow and increase in strength, and be populated by immigrants from and descendants of the parent people; so that, even if they do not form the whole population, they may be the ruling force in regard to the political and industrial life of the country. That almost goes without saying. And it is there that the interest of Australia comes in. Because, if we have to take a share in the duties and responsibilities of the Empire, surely what is required of us will be much less if the Transvaal and South Africa are able to look after themselves in the event of difficulties arising. Surely, we, in Australia, shall be better able to attend to the affairs of our own corner of the Empire, if we are free from any anxiety as to what is likely to occur in any distant portion of the territories that go to make up the sphere of British influence. We are told that it is impossible to carry on the mines of the Transvaal without coloured labour. A great number of statements have been put before us, copied from the London and South African press, as to the enormous cost of mining in the Transvaal. As far as I can learn, both from reading standard works, and from investigating the columns of the South African newspapers, and the reports of those who have had experience on the Rand, they certainly have to deal with low-grade propositions, but at the same time they are of no lower grade than those which are successfully worked in Australia, and in other parts of the world. In some respects, indeed, the South African mines are worked under conditions which are naturally far superior to

those existing in the extreme north and the extreme west of Australia. For instance, as compared with the mines at Coolgardie and Kalgoorlie, there is in South Africa no trouble with regard to the supply of water. The only real factor that should go to make the cost of living higher, and therefore the cost of white labour greater, is that the distance inland is fairly great, and that the duties and other charges imposed in conjunction with the high railway rates cause prices to be exceedingly high at Johannesburg. But it seems to me that so far as the cost of living is concerned, the remedy is largely within the authority of the British Government themselves. The people of the Transvaal complain, and with a good deal of justice, of the high railway rates which are still being maintained, and they further object to the number and amount of the duties, which have the effect of raising the price of commodities. But apart from those aspects of the situation, there is no reason at all, so far as I can judge—and certainly no reason expressed in the opinions of many men who are of the highest qualifications, and who have had experience in South Africa—why the mine owners should not employ white labour to work those mines. I wish it to be clearly understood that, so far as I am concerned, I have not the slightest objection—nor, so far as I know, has the party with which I am associated the slightest objection—to the employment, under legitimate conditions, of the natives of South Africa in the mines. We cannot with any propriety object to the employment there of the men who are the natives of the country. But, according to the opinions of men on the Rand, including one member of the nominee Council which at present controls the affairs of the Transvaal and in the opinion of many newspapers in South Africa, and certainly of many residents, the conditions under which the natives were forced to work were such as to prevent the mine-owners from getting the full supply of native labour that they have had in the past. Evidence was given before the Labour Commission to that effect by chiefs of some of the tribes of native people who had been recruited for a very long time for the mining industry in Johannesburg. The evidence of two of the native chiefs was that the sanitary arrangements and the general conditions affecting the conduct of the mines, and the manner in which the natives were treated, were such that, so far as their influence went, they would endeavour to

dissuade their people from going into the mines again.

Mr. THOMAS.—Was that evidence given before or since the war?

Mr. WATSON.—The Labour Commission held its inquiry since the war, and its report was issued a short time ago—in 1902. Besides that, there is the evidence of a member of the Transvaal Legislative Council, Sir Godfrey Lagden, the Native Commissioner, who said only recently in the Council, when the matter was brought up by Mr. Hull, another member, that the mortality amongst the natives working in the mines had been most awful, and constituted a shameful incident in the treatment of the kaffirs generally. That is the evidence of one who is associated officially with the Government of the Transvaal, and is a member of the Council which has endeavoured to introduce Chinese labour into South Africa. In fact, the evidence is overwhelming as to the treatment of the natives. It is said by reputable people in South Africa that since the war a larger proportion of natives have died as a result of their bad treatment in the mines, than the whole of the losses of the British forces during the war, either from bullet or disease. That seems a strong statement to make, and yet a reputable South African newspaper makes it, and defies any possibility of its contradiction. It invites an investigation into the facts. Of course, I do not pretend to know whether the statement is true or not, but, if it be true, it goes far to explain why the supply of native labour has fallen off of late to such an enormous extent. The newspaper to which I have alluded is the *South African Guardian*, and I may as well read the passage. It says—

Then there were the stories of ill-treatment of the natives in the compounds, and to cap all, the ghastly figures presented by Sir Godfrey Lagden of native mortality in the mines, showing that the risk the native undertakes in coming to work in the mines is almost as great as that undertaken by soldiers in the late war, the percentage mortality being almost as great. That is inclusive of sickness and casualties.

Nor is this all, for evidence was given of natives being sent back to the kraals to die, and of others maimed, endeavouring in misery to reach their homes.

Mr. CONROY.—There are accidents in all mines.

Mr. WATSON.—The point of the objection is not that accidents occur—they will occur in all mines—but as to the neglect

when the kaffirs were maimed through accidents. One of the native witnesses before the Labour Commission, a man of remarkable intelligence, who was cross-examined by the representatives of the Chamber of Mines, who endeavoured to upset his statements without success, summarised the matter thus—

Treat your mine boys as well as you do your house boys, and you will get as much labour as you want.

There is another feature which went to reduce the supply of native labour to the mines. That is, that before the war the natives who worked in the mines were getting wages up to 2s. 6d. a day. After the war the mine-owners evidently thought that, as a large number of natives had been employed as carriers and in other capacities by the British authorities, and were suddenly discharged, they would obtain their services almost without payment. Consequently, they immediately reduced the wages by one half—from 2s. 6d. as a general rule, to 1s. 3d. a day. But the mine-owners found that it was impossible to get labour at that price, and they gradually kept increasing the wages. But even at the present time, after all the outcry about the dearth of native labour, wages are not so good by at least 6d. per day, as they were before the war. In other words, the natives are receiving to-day at least 6d. per day less on an average than they were formerly receiving.

Mr. HUGHES.—That is a 20 per cent. reduction.

Mr. WATSON. — Quite so. Yet these mining magnates tell us that it is impossible to get the amount of native labour that they require. There is another aspect of the question. We must consider whether, in the event of its being proved correct, as alleged by the mine-owners, that they cannot get the requisite supply of native labour it is possible for them to employ whites and thus displace natives, so far as mining employment is concerned. On that head I have a quotation from Mr Eckstein. He is at the head of a big concern owned by Wernher, Beit, and Co., and is at present amongst the most strenuous advocates of the introduction of Chinese. In 1898, just before the war, this gentleman said at a Rand mines meeting—I quote this from Bleloch's *New South Africa*—

We have proved that we can do by machine drills in the hands of white men, much of the work formerly done by natives. . . . The hope which I said I entertained was this: That by the development of the machine drill we can cut down our native labour to a large

extent, and in place of 50,000 or 60,000 natives, we may yet be able to do with 10,000 or 15,000 white miners. This would be a most desirable consummation.

That experiment was being made in 1898. I find that Mr. Creswell, who has had experience in various parts of the world, and a long experience in South Africa, and who was the manager of the Village Main Reefs, a big mine in the Transvaal, gave evidence before the South African Labour Commission. According to a cable, dated 20th October, he is reported to have said—

He recently engaged white unskilled labour for the mine at 10s. per day. The experiment has proved a success, but yesterday he informed the commission that the chairman of his London board had privately written to him stating that Messrs. Wernher, Beit, and Co., and other leading mine-owners had been consulted regarding the new departure. They expressed the fear that the engagement of a large number of white labourers on the Rand would cause troubles similar to those that prevailed in Australia. It would enable a combination of labourers to dictate wages, and would give them a political power when responsible government was granted to the Colonies.

I shall make no comment on the latter portion of that statement at the present stage. Not only does Mr. Creswell say this in his evidence before the Labour Commission, but speaking in the Queen's-hall in London on 11th February of this year, only a little over a month ago, he is reported in this way:—

His argument was that instead of costing more, white labour cost less than yellow labour. Other mine-owners had done the same as he had done, but the fact was never allowed to come out before the commission.

Mr. Creswell is there supplementing the evidence he gave before the commission. When we remember that the South African Labour Commission was appointed solely at the instance of the Chamber of Mines, that twenty out of the twenty-three witnesses examined were members of the Chamber, that nearly all the commissioners were members of that body, and that the Chamber is controlled by two or three large mine-owners who are not solely interested in British securities, but whose headquarters are in some cases outside of Great Britain, we can easily understand the justification for Mr. Creswell's complaint that the evidence of mine-owners who have tried white labour and found it successful was not allowed to come out. I desire to make another quotation in this connexion. It cannot be said that the *Johannesburg Star* is a violently democratic newspaper, but I must admit that it has been

consistent in the attitude it took up during the continuance of the Boer war and since. The managers of this newspaper made an outcry against the troubles of the Uitlanders, and now, having asked that Great Britain should rescue the Uitlander, they continue to ask for and insist upon his employment in the country they helped to preserve for him.

Mr. CONROY.—Are the Chinese to take the place of the blacks or of the whites?

Mr. WATSON.—From what the mine-owners themselves say it would appear that the Chinese will take the place of both natives and whites. The *Johannesburg Star* of 19th August, 1902, says—

A fact that is within the observation of all is the greatly increased supply of boys available for employment in the town.

That fact is commented upon by many other newspapers and writers in the Transvaal. While the mine-owners are crying out that there is a dearth of natives offering for employment, as a matter of fact, for other avocations for which natives are employed there is an overwhelming supply. I suppose that the reason is that the natives, whilst willing to take any other kind of work, will not work under the conditions which the mine-owners wish to impose on them. The *Johannesburg Star* goes on to say—

Both on the Crown reef and the Village main reef, we understand that the white labour experiment that is being conducted is showing the most promising results, and bids fair to demonstrate the principle that any deficiency in the labour supply, white or coloured, of South Africa, can be made good from the inexhaustible resources of Great Britain, without tapping any alien sources. . . . Experience all over the world has shown that dear labour, if efficient and intelligent, is the cheapest in the end, and the results achieved up to the present on the Rand, encourage us to believe that our experience here will be no exception.

As bearing out that contention, let me point out that we have in the Northern Territory of South Australia a number of mines which are of no lower grade than many which are being successfully worked in other parts of Australia. A very productive belt of country is to be found alongside of them; they have a railway running for some distance inland, to Pine Creek, and within reasonable distance of the mines, and they have a full and free supply of Chinese labour. Yet, speaking generally, these are the only mines in Australia which do not pay to-day. With a plentiful supply of cheap labour, and conditions in other respects at least equal to those under which mines in

other parts of Australia are being worked, these mines in the Northern Territory are absolute failures, whilst other mines in Australia, under no better conditions, are being worked with white labour successfully. I quote another comparison from the Sydney *Bulletin*—

From evidence given by consulting engineers, as witnesses before the South African Labour Commission, it is reported that the average cost of mining, reducing and treating ore on the Rand, is 31s. 2d. per ton—

Honorable members will remember that that is with the aid of native labour, paid for at the very low rate to which I have referred—

While the average for the New Mine at Eaglehawk, Victoria, was 17s. 8d. per ton.

That is to say that in Victoria, ore is being treated by white labour at a cost of 17s. 8d., as against the cost of 31s. 2d. in South Africa. We may make every allowance for increased cost of living in South Africa, and still the difference in the cost of treatment of ores is a remarkable one, especially when it is remembered that, although the ore bodies of the Transvaal may be of lower grade than those in Victoria, they are of immense size, and are comparatively easily worked. This is of great importance when we are considering the cost of treatment per ton. There is another authority whom I should like to quote as to the possibility of employing white labour in the South African mines. I refer to Mr. Wybergh. This gentleman was Commissioner for Mines in the Cabinet of Lord Milner, but has recently retired, owing to a difference of opinion with the Acting-Governor of the Transvaal, Sir Arthur Lawley. The difference of opinion, Mr. Wybergh says, arose mainly in connexion with the new gold law, which he thought was not so liberal in the interests of individual prospecting miners as the old law under which the mines on the Rand were worked. There was also some difference of opinion with the rest of the Cabinet on the question of the employment of white labour. Having been a Commissioner for Mines for a considerable time, Mr. Wybergh speaks with some authority, and his statements are entitled to credit. On 2nd February of this year he is reported as follows in the *Transvaal Leader*:—

White labour could be economically employed on the mines. He stated that unskilled labour had never been given a fair trial. The capitalists, he stated, and gave as an example his experience with mine managers, did not insist that white unskilled labour should be employed for the reasons that they were afraid of strikes and of the working man's vote.

Mr. Watson.

I find that another gentleman has been quoted with approval by the *Transvaal Leader*, a newspaper advocating the introduction of Chinese into South Africa. This paper reports an interview with a Mr. Drake, who represents a French mining company in the Transvaal. He has had experience in Australia and in other parts of the world, and, strangely enough, Mr. Drake, no doubt unintentionally, seems to back up the contention in favour of the employment of whites, because after showing that he made an elaborate comparison of the cost of native labour as against the cost of white labour, he gives this as the result—

I found that I had reckoned the cost of labour in Australia at 15s. per ton, whilst the figures work out for this country at 19s. per ton.

Allowing for the fact that Mr. Drake was backing up the case for the introduction of Chinese into the Transvaal, he can only find a difference of 4s. per ton in the result, and it seems to me that that constitutes a very strong argument to support the case submitted by those who are in favour of the employment of white labour.

Mr. CONROY.—Granting a case for interference, ought we to put forward a protest in such terms as the honorable member proposes?

Mr. WATSON.—If we have any considerations to advance which would help to shape the opinion of others upon a matter of such grave importance, I think it is only fair that they should be put forward.

Mr. CONROY.—Put them strongly, but in that diplomatic language which ought to be employed.

Mr. WATSON.—We should be courteous, but we need not be mealy-mouthed about making statements which will bear investigation.

Mr. CONROY.—Unless we can back up our statement, we ought not to make an “emphatic” protest. I know what I should feel if any one were to address me in such terms.

Mr. WATSON.—It is the view of many persons in South Africa, that even if white labour were proved to cost more than coloured labour, there is still an ample margin between the present cost of running the mines and the profits to allow of the difference in wages being made up, and to still leave a reasonable profit for the capitalists. Mr. Creswell, Mr. Wybergh, *The Johannesburg Star*, in a lesser degree Mr. Drake, and many other authorities

who could be quoted, agree that white labour will not cost more than native labour. But, assuming that it does cost them more, we have to recollect that in many cases the mines of the Transvaal are over-capitalized, as are mines in every part of the world. A man puts a concession on the market at a stated price, which is paid him in shares, and probably the working capital of a mine is only one-fifth, or even one-tenth, of the nominal amount at which it is floated. That remark applies to the Transvaal, just as it applies to every large mining field in the world—at any rate, in Australia and South Africa.

Mr. O'MALLEY.—Watered stock.

Mr. WATSON.—It is not watered stock in the technical acceptance of the term, but the effect is the same so far as dividend paying is concerned. Notwithstanding all that, I have a list of the dividends of a dozen of the principal mines in South Africa, running from 187 down to 40 per cent. on the nominal capital. Of course, it would require some dissection to find out how much is paid up in each instance. But, still, it is evident that a great proportion of the mines are earning enormous profits, and on the confession of many of those who are at their head, the reason why they want Chinese labour is to increase their already enormous returns, to screw the last possible penny out of the mines, careless as to whether it means the extinction of any settlement of white people in that country. I think I have said sufficient to indicate that there are good reasons for believing that the mines can be run by white labour, or, at any rate, that white labour can be employed to supplement the alleged scanty supply of natives, from which the mines are suffering at present. It is true that the mines are not working to the same extent as they were just prior to the war; but there is evidence of a deep laid scheme on the part of some of those who are at the head of affairs in South Africa to refrain from any development, and to mark time, in the hope that by that means they will coerce public opinion in the country in the direction at which they are aiming. In my view no proper means have been taken to ascertain exactly the state of public feeling there. In their reply to the telegram of the Prime Minister, the Transvaal Government say:—

Supply of labour available from these native races is quite inadequate to meet requirements of country, and no effective means of increasing the supply which has been suggested have been left untried.

They have tried everything but raising the wages of the natives, at any rate to the point at which they stood before the war.

Mr. McDONALD.—Would it ruin them to do so?

Mr. WATSON.—No; it would still leave them with what many of us in this country would regard as handsome profits.

Mr. CONROY.—Are we concerned with the wages of people there?

Mr. WATSON.—No; except so far as they bear on the question of whether it is necessary to import Chinese to make up the deficiency. The Transvaal Government go on to say in their telegram—

Only alternative is the importation of coloured labour.

In reply to that statement, I submit that they have not insured that a fair trial shall be given to the employment of white labour. They have taken no step in that direction.

Mr. KELLY.—Where would they get their white labour from?

Mr. WATSON.—There are in the Transvaal thousands of Australians who were induced to go there by the assurance of Mr. Chamberlain that efforts would be made to settle them as Britishers in that country, and to-day they are scorned by the mine-owners, who will not employ them even at "tucker" rates.

Mr. CONROY.—I know many good Australians who are receiving very high wages there.

Mr. WATSON.—It is true that the mine-owners cannot afford to reject the services of men who have special skill in the direction of affairs, but I am speaking of the comparatively unskilled man—the man who has only his thews and sinews to depend upon. The advances of these men towards getting employment have in every case been rejected by the mine owners. Does the honorable member for Wentworth assume, even if 8s. or 9s. or 10s. a day were offered—and that is low pay compared with the cost of living—that there would not be attracted to South Africa tens of thousands of persons from the overcrowded parts of Great Britain?

Mr. KELLY.—I think that the honorable member is bringing a question of Imperial interest down to a question of South African interest.

Mr. WATSON.—I am speaking, however, inefficiently, with the object of building up a case. It does not depend on one matter alone. It seems to me that one has to regard all the circumstances before it is possible to form a reasonable

opinion on the main question of whether it is necessary that Chinese should be introduced into South Africa. Surely the question of whether white labour can be introduced and successfully and economically employed is one of the most important aspects of the whole position.

Mr. CONROY.—Does it make any difference to them whether it is a Chinaman or a black boy who is employed?

Mr. WATSON.—I think that from the Imperial stand-point it would probably make a great deal of difference, that it would be infinitely preferable to employ the natives of the country than to further mix the racial characteristics of South Africa by the introduction of Chinese. Of course, the Transvaal Government assure us that they intend to take all kinds of care to return the Chinamen to their native country as soon as their engagement has been completed. That statement was made in regard to the importation of kanakas into Queensland. But it is well known that in that State to-day there are thousands of kanakas who are not amenable to the law, because of a sort of statute of limitations, under which the men need not be returned. Even in our Federal legislation, we exempted those kanakas from the deportation to which others may be subjected. In any case, Chinese will have practical freedom, according to the regulations governing their stay in the country. They cannot go more than a mile from their compound unless they have a pass, but as it is compulsory that the pass must be issued when applied for, there might as well be no restriction placed on their movements.

Mr. HUGHES.—Besides, they cannot tell one Chinaman from another, and one pass will do for the whole crowd.

Mr. WATSON.—That is a consideration which did not occur to my mind, but no doubt it is true. I contend that no steps have been taken by the Transvaal Government to ascertain the opinion of the people. The Legislative Council consists entirely of nominees of the Government. Of the twenty-six members who voted for the ordinance under which Chinese are to be introduced, thirteen were civil servants, and therefore amenable to the direction of Lord Milner or his deputy, in regard to their action in the Council. Five others were what the *South African Guardian* terms "renegade Dutch," though I do not apply that term to them. Formerly they were members of the National Scouts, and were appointed to the Legislative Council after

peace was declared. Speaking of the Dutch people, it is a curious thing that the attitude of the Dutch members of the Council is so different from that of those leaders of the Dutch people who are outside that body. A formal protest, signed by fourteen of the leaders of the Boers, was sent to the British Government against the introduction of the Chinese.

Mr. DEAKIN.—Only after the ordinance had been passed, though.

Mr. WATSON.—After it was passed, but before it was assented to by the Imperial Government.

Mr. DEAKIN.—Why did they not use their efforts before in that direction?

Mr. WATSON.—That is a very fair question to ask. Certainly they might have made some effort to influence the attitude of their fellow-countrymen on this question. The ordinance was also supported in the Council by Sir George Farrar, President of the Chamber of Mines; Sir Percy Fitzpatrick, ex-President of the Chamber of Mines; Mr. Solomon, President of the Stock Exchange; and Mr. Hoskens, whose occupation is not stated. What I wish to deduce from these circumstances is that civil servants and the Chambers of Mines carried this ordinance. The four independent members of the Council—Mr. Hull, Mr. Loveday, Mr. Raitt, and Mr. Bourke—voted against the proposal.

Mr. G. B. EDWARDS.—Four out of the nine non-official members.

Mr. WATSON.—Not counting the Dutch, it was opposed by four out of the nine non-official members. The Chambers of Mines had been engineering the whole business right from its initiation, and, therefore, it was unreasonable to expect that their representatives, as soon as their votes were asked in the Council, should do other than vote for the passing of the ordinance.

Mr. G. B. EDWARDS.—Lord Milner stated that there was no Government direction to the official members.

Mr. WATSON.—I am simply referring to the steps that were taken to ascertain the opinion of the people. I contend that the division which took place in the Legislative Council was no criterion of the feeling of the people of South Africa. As to the petition, about which we have heard so much, we are assured by those on the spot that the most disgraceful coercion and intimidation were resorted to in order to secure signatures to it. The petition was taken round by mine-managers and other mine

officials to trades-people with whom the mines had business dealings. In other words, the customers went to the trades-people and put to them the question—"Will you sign this petition?" I admit that some of them may have been in favour of the course suggested, but as the loss of custom would have been a very serious matter to many of them they had no option but to sign the petition when the pistol was presented at their heads. The men employed on the mines were also constrained to sign the petition, whether they liked it or not. In many instances, it was more than their billets were worth to refuse to sign it. From first to last an effort was made to bull-doze the people—to rush them into the acceptance of the contention that Chinese were essential to the prosperity of the mines.

Mr. SPENCE.—Men were even hired to disturb meetings called to protest against the importation of Chinese.

Mr. WATSON.—I was just about to refer to that point. Attempts were made by those opposed to the introduction of Chinese to obtain an expression of opinion on the part of the public in regard to the proposal. What happened? It is proved by sworn declarations—so that it is not a matter of hearsay—that when a meeting was called, at the Wanderers' Hall, Johannesburg, to protest against the introduction of Chinese, special trains were run from the mines to carry employes to the town to disturb the meeting. I have here a photograph which throws some little light upon the incident. Hundreds of roughs were employed at 15s. per head to prevent the speakers from making their voices heard. This fact is attested by sworn declarations made by a number of men who received the money and did the work, and it has been published in the press.

Mr. CONROY.—Men of that kind would make any sort of declaration.

Mr. WATSON.—I quite admit that it would hardly be right to place very much reliance in a man who would lend himself to such a scheme. But quite a number of these declarations were made, and there can be no doubt that an organized and successful attempt was made to prevent any expression of views antagonistic to the introduction of Chinese into the Transvaal.

Mr. WILSON.—That is something like that which took place at the Melbourne elections.

Mr. WATSON.—I have no sympathy with any person who disturbs a public meeting. I have too great a regard for the liberty of speech, for which our forefathers fought, to countenance such tactics. Whether it is a meeting held in support of, or in opposition to, our opinion, there is no doubt as to the attitude which we should take up. Every fair-minded man should on all occasions deprecate the disturbance of public gatherings. I have learned of late that in this respect the United States of America, with all their alleged political corruption, can give us a lesson. Men there do not disturb the public meetings of their opponents.

Mr. DEAKIN.—As a rule they do not attend them.

Mr. WATSON.—Quite so; but in any case they never attempt to disturb them. The efforts made to prevent any clear expression of opinion on the part of the people against the introduction of the Chinese into the Transvaal were successful. It is true that shortly after the disorganized meeting at the Wanderers' Club, a successful meeting was held by those opposed to Chinese immigration. It took place in the Market Square, and among the speakers were Mr. Wybergh, ex-Commissioner of Mines, and a number of other prominent gentlemen. Resolutions were unanimously carried, not merely protesting against the introduction of Chinese, but urging, as is proposed in the motion now before the House, that the white people of the Transvaal should be consulted before the perpetration of this act. It was asked that a referendum of the whole of the white population should be taken, and I think that the position was put very clearly when the speakers urged that if the mine-owners were so confident that the great body of public opinion was with them—if it were true that 40,000 out of some 60,000 white adults had signed the petition in favour of the introduction of Chinese—they should have no objection to the holding of a straight-out referendum, at which every person would have an opportunity to give expression to his opinion free from influence, and protected by the secrecy of the ballot. In asking why there should be any objection to such a proposal, a very pertinent question was put to those who affirmed that the petition, the signatures to which were obtained in the manner I have described, represented the opinion of the people of Johannesburg and of the Transvaal generally.

Mr. CONROY.—Why should they be asked to adopt what would be to them a new method of ascertaining the opinion of the people?

Mr. WATSON.—Because that which they possess at present is certainly an old method of government, and one which even the honorable and learned member would not approve. They work under a system of government by the Crown, and do not possess any representative institutions. In a set of extraordinary circumstances, we have a right to take any extraordinary step necessary to ascertain the true position of affairs. Surely we are only asking what is right when we urge that the people of the Transvaal should be consulted in such a way that they will be able to give expression to their opinion without fear of the consequences.

AN HONORABLE MEMBER.—There is ... alternative.

Mr. WATSON.—If the Government do not see their way clear to grant a referendum, the alternative is that the proposed introduction of Chinese should be deferred until the establishment of responsible government, which, according to the Imperial authorities, will take place at no distant date. With responsible government they would be able to adopt another method to arrive at the decision of the people.

Mr. JOSEPH COOK.—If, as the result of a referendum, it was decided to permit the introduction of Chinese into the Transvaal, would honorable members have anything further to say on the subject?

Mr. WATSON.—I should feel that a wrong step had been taken, but I do not think that I should consider we had the same right to protest that we should have if Chinese were introduced without the people being consulted.

Mr. WILSON.—Should we have any right to interfere?

Mr. WATSON.—I should still feel that, not only in our own interests, but in the interest of the people of the Transvaal, and of all our fellow countrymen in Great Britain, it was a thousand pities that such a decision should have been arrived at. Still, in the contingency referred to, the introduction of Chinese would be the result of the deliberate decision of the people, and I do not know that we could raise much objection to it.

Mr. CAMERON.—What right have we now to interfere?

Mr. WATSON.—We have a right to interfere because the people directly concerned have no representative institutions. So far as legal expression of opinion is concerned, they are inarticulate—they are dumb.

Mr. CAMERON.—But the honorable member and those who think with him have no power to force their opinions on the people of the Transvaal.

Mr. WATSON.—It is true that we have no power; but it is certainly a novel suggestion that the views of a large section of the people in a British community are to go for nothing; that when they protest against an improper condition of affairs, their protests are to be disregarded. The feeling in South Africa—the feeling of the people much nearer to the scene of action than we are—seems to be largely in consonance with that existing in Australia. It is true that the Natal Parliament recently rejected, by an overwhelming majority, a motion to protest against the introduction of Chinese. I have not been able to ascertain whether that motion was rejected on the ground that the Parliament of Natal did not desire to interfere, or whether it was because they favoured the introduction of Chinese.

Mr. MCCAY.—I have it from one of the men who voted with the majority that they felt that they should not interfere, and that they were also actuated by the knowledge that they were living in something like a glass house themselves, inasmuch as they had been introducing coolie labour. The feeling, nevertheless, was against the introduction of Chinese into the Transvaal.

Mr. WATSON.—I am glad to have that assurance. I was disposed to think that the motion was rejected because of an unwillingness on the part of the Natal Parliament to interfere in view of the attitude previously taken up and opinions expressed at different times by a large proportion of the members of that Legislature. In Cape Colony, however, we have had something more than an expression of opinion on the part of the South African League—or what was formerly known as the Bond—in antagonism to the proposal. During the elections recently held there a very clear expression of opinion was obtained.

Mr. CONROY.—From loyal citizens.

Mr. WATSON.—They are at all events members of the Bond. At one meeting at Aliwal North one taunt thrown at Dr. Jameson was that his party, the Progressives, were in favour of the introduction of

Chinese into the Transvaal. He is reported to have answered that question in the following emphatic terms:—

They, as a Progressive Party, had been, always were, now, and always would be, absolutely against the introduction of one Chinaman, not only into the Cape Colony, but into the whole of South Africa.

He is reported to have said further—

No Chinaman should ever pass to this (Cape) Colony from the Transvaal, even should they come there.

In other words he declared that, if returned, he would take steps to see that no Chinese should pass over the Transvaal border into Cape Colony. This, taken in conjunction with the attitude of the Bond, seems to show that so far as Cape Colony is concerned, public feeling is unanimously against the introduction of Chinese into the Transvaal.

Mr. G. B. EDWARDS.—Lord Milner, in his latest despatch, admits that the feeling in Cape Colony is entirely against the proposal.

Mr. CONROY.—Are we to interfere? That is the question.

Mr. CARPENTER.—We are not interfering.

Mr. WATSON.—The question is one which the honorable and learned member for Werriwa can deal with himself. There is only one other point to which I desire to refer. It is gratifying to me to find that a considerable body of feeling apparently exists in Great Britain itself, which is in consonance with that prevailing here. A meeting held in the Queen's Hall, London, on 10th February last, and convened at a few days' notice under dismal circumstances, so far as weather was concerned, attracted an enormous gathering of people, who carried unanimously resolutions protesting against the Royal assent being given to the Ordinance passed by the Legislative Council of the Transvaal. Amongst the apologies for non-attendance sent was one from Sir William Vernon Harcourt, who was especially caustic, as well as eloquent, in his references to the matter. He denounced the proposal as an abominable project, and said that in the interests of low-grade ores it was proposed to found a low-grade colony. That seems to me to express the situation excellently. He asked the meeting to protest against the carrying through of the code of serfdom involved in the regulations proposed. Earl Carrington was present at the meeting, and gave utterance to sentiments which I think did great credit to himself and to the education which

he received on the subject in Australia. I do not mean to say that, had it not been for his stay in Australia, he would not have expressed the views he did; but I say, as he himself admitted, that his stay here gave him opportunities to learn the opinions of the people of Australia, and the circumstances which justified those opinions. He dealt in his speech with the action of Sir Henry Parkes, in 1888, in preventing the landing of Chinese in Sydney, and went from one point to another, giving those present some idea of the difficulties which Australia has had to face in regard to the Chinese question. One cannot but be struck with the unanimity of the meeting. We find, too, that the Imperial Government were almost beaten in the House of Commons upon this question.

Mr. DEAKIN.—They were reduced to their smallest majority.

Mr. WATSON.—The smallest majority that the Government have yet had upon a division which was known for some days to be coming on.

Mr. CARPENTER.—It was a moral victory.

Mr. WATSON.—Yes, for those who oppose the Ordinance. If the question had not been made a party one, and the members of the House of Commons had been free to vote according to their personal opinions, there would have been a majority against the confirmation of the Ordinance. We have additional evidence of the strength of the hostile feeling on the subject in the hesitancy of the Government to grapple firmly with the question. Although the King has formally assented to the Ordinance, it has been held in abeyance pending certain negotiations. I dare say the official explanation will be that it is desired to communicate with China to obtain her views in respect to the proposed admission of her people under indenture into South Africa. Still, there is the fact that delay is occurring, and, therefore, it is wise for us to come to an early decision in confirmation of the action of our Government. I feel sure that the vast majority of the people of Australia are quite in accord with the general terms of the motion, and I believe that the Government took the right step in making the communication which they did to the Government of the Transvaal. I am sorry that they could not have gone a step further, and made a direct, and perhaps, therefore, more weighty representation to the Imperial Government. I still think it eminently desirable, in the interests of

South Africa and of the nation as a whole, that we should leave no stone unturned to prevent what, in my opinion, would be a calamity to British interests—the introduction of Chinese labour into the Transvaal.

Mr. DEAKIN (Ballarat—Minister for External Affairs).—This question not only turns our attention to foreign fields, but opens up a series of issues in regard to Imperial and inter-Imperial relations, the echoes of which will travel far before they finally die away. The honorable member for Bland, who moved the motion in a speech replete with information on many phases of the subject, and in regard to the circumstances of the country with which it deals, has stated that, although his motion is to be taken as confirming the action of the Government, he regrets that our action was not more positive in form. The consideration of the constitutional issues which that statement raises is one to which I propose to invite the attention of the House for a few minutes. In the first place we shall do well to remember that this is not the first occasion upon which we have been confronted by the condition of affairs in the Transvaal arising out of the employment of coloured labour. In the first session of last Parliament the honorable and learned member for Corio and the honorable member for Kennedy were associated with proposed discussions of the subject, and the matter on one occasion came before the House, when, during the absence of Sir Edmund Barton, I was acting in his stead. The honorable and learned member for Corio, during a discussion in Supply, asked the Government to intervene, and I shall quote from the *Hansard* report a sentence or two which summarizes the attitude then adopted by my honorable colleagues and myself. I said, and honorable members will find my remarks recorded on pages 16172 and 16173 of volume XII. of our *Parliamentary Debates*—

We may hope that the Imperial Government, with their knowledge of the consequences of such a step, will not give their consent.

The step referred to was the project of the introduction of Chinese labour into the Transvaal.

If our opinion were invited, there can be no doubt as to what our verdict would be. But I repeat that no proper opportunity has yet presented itself to us of speaking on this question. If such an opportunity is presented, I have no doubt it will be taken advantage of. But to act as the honorable and learned member for Corio proposes, in regard to what, so far as I

know, is at present merely a project, which may never be indorsed even in the country in which it is made, which may not be approved by the Imperial Government, and which may, therefore, merely remain a project, would not be wise. If we were to express an opinion in these circumstances, where should we draw the line in the representations we ought to make to other Crown Colonies upon projects launched by them, which in our opinion may be as hazardous as that to which the honorable and learned member has referred?

Mr. CROUCH.—Was not the honorable member for Bland then against the proposal?

Mr. DEAKIN.—He supported the objections of the honorable and learned member to the introduction of the Chinese, but he agreed with the Government that, as at that stage it was merely a project, our interference was not justified, and we should await further developments. Now we have those developments. They are the occasion of the action which has been taken. The proposal for this action, which followed within three weeks of the elections, came, so far as this Government is concerned, from that energetic and active Liberal Imperialist, the Premier of New Zealand. At the commencement of the debate on the Address in Reply I was subjected to a not ill-humoured taunt upon the fact that Australia had once more followed the lead of New Zealand. My reply is that I object to follow no man when I believe that he is taking the right path. The fact that he is before me is no discouragement for me to follow.

Mr. KINGSTON.—New Zealand gave a good lead.

Mr. DEAKIN.—The Government had scarcely time to recover from the elections, and as my colleagues were scattered throughout the States, I hesitated as to the form in which action should be taken. It appeared to me that whatever step we took was likely to form a very important precedent, with consequences ranging far beyond the borders of the Commonwealth. In our constitutional text-books the relations between the mother country and her Colonies and dependencies are fairly well established. We have what may be termed a complete outline of the constitutional relations between the self-governing Colonies and the mother country; but the relations which subsist within the Empire between one self-governing community and another, or between one community completely endowed with self-government and another only

partly so endowed, is a question yet to be solved. Practically no guidance is to be found in the text-books. The present condition in which the expressed constitutional law upon this question stands is put in a sentence by Todd, who, at page 254 of the second edition of his *Parliamentary Government in the British Colonies*, says—

Separate colonial governments have no right to communicate officially with one another, except through Her Majesty's Secretary of State for the Colonies, or by direct permission first obtained from the Imperial Government.

That is the dictum of 1894. In the only more recent book to which I propose to refer—*British Rule and Jurisdiction beyond the Seas*, by the late Sir Henry Jenkins, with a preface by Sir Courtenay Ilbert, published in 1902—the same doctrine is repeated without development—

In the relations of one British possession to another, the Crown is the connexion between them. All formal communications pass through the Home Government, and that Government is the arbiter in all serious disputes.

Mr. McCAY.—A Conference of Premiers is a contradiction of that dictum.

Mr. KINGSTON.—The Commonwealth communicates directly with the States, and they communicate directly with one another.

Mr. DEAKIN.—Exactly, but that constitutional relationship has not been crystallized into authority in the text-books. The actual facts have progressed beyond the doctrine by many leagues. In Australia we have, without noticing it, been developing the relations between allied communities under the Crown to perhaps a greater extent than they have been developed in any other part of the British Empire, by the natural and necessary communication which has proceeded, and must go on, between communities separated only by imaginary lines, though under independent Governments. Compelled to unite to secure common action, we have for many years been accustomed to Conferences of Premiers.

Mr. KINGSTON.—Direct communications pass every day.

Mr. DEAKIN.—Communications on formal matters are exchanged by every post. The text writers have lagged far behind the actual facts, and have not yet formulated the practice as it exists. We had established prior to Federation, and have continued since, a practice of exchanging communications directly, not only between State and State, but with New

Zealand, and even Canada and South Africa. So that a natural and necessary system, embracing a network of communications passing from one part of the Empire to another, from one self-governing community to another, has gradually grown up, and has authorized a reciprocal interest on the part of these communities in the transactions of each other. A step further than that has been taken, which does not appear to have yet passed into recognition. On three occasions the Imperial Government have invited the representatives of self-governing and Crown Colonies to meet in London, and on one occasion the Government of Canada invited representatives of the Colonies to meet in Canada. At these conferences, particularly those held at the heart of the Empire, matters of the greatest moment have been debated, and resolutions arrived at; but, at each and all of those summoned in London, under the auspices of the Secretary of State for the Colonies, or held among ourselves, one invariable rule has hitherto obtained, and necessarily obtained, namely, that the gatherings should be regarded as simply consultative. Their resolutions, though passed by specially authorized delegates, were recommendations. No self-governing community was sought to be bound by them, unless or until its Parliament saw fit to approve. The conclusions arrived at have occasionally found their way into our statute-books—in such a matter, for instance, as Imperial naval defence, and in a very few instances in the Colonies themselves, before we were united—but they have as a rule, resulted in no more than expressions of opinion tending to common action. Consequently when the new situation in South Africa presented itself, it seemed necessary that the universally accepted principle of mutual respect for the self-governing powers of each dependency should be strictly adhered to; and that whatever course was adopted by us should be marked from the very outset by consideration for the self-governing rights of the other parts of the Empire, and a full recognition of their freedom from obedience to any commands from persons beyond their limits.

Mr. CROUCH.—Does the Prime Minister apply that to the United Kingdom?

Mr. DEAKIN.—I have been applying it as well as I can. The situation that presented itself in South Africa appeared to justify what might, under other conditions, have constituted an un-

justifiable interference on our part. The introduction of Chinese labour into the Transvaal means, not only the multiplication of the local problems of that unhappy country, but the presence in South Africa of a new alien and dangerous influence. We regard it as a question affecting the future of South Africa, and the future of the Empire in those seas, and as being fraught with the utmost importance to a series of States with which we bid fair to be more and more closely related, not only by the ties of trade and commerce, but owing to the fact that they command one of the great highways of the world—perhaps the only one that would be open to us in time of war. These, and many other reasons, cause us to stand in a peculiar relationship to South Africa. But, above all, the question was Imperial, and involving Imperial results. We have seen the consequences of the attempted invasion of this country in the early days of the diggings, when the Colonies of Australia, one and all, were compelled to resort to restrictive legislation to protect their gold-mines from being captured by Asiatics. We have seen the difficulty of confining such an influx, or dealing with it. We have become familiar with the astuteness and capacity of the Chinaman, who, though excelled, no doubt, by the brilliant qualities of the Japanese, is in patient, steady persistence, and in his own particular but narrow intellectual sphere, not to be surpassed in the world. We perceived that if these people were introduced into South Africa, they would not only displace black labour, but would be quite capable of displacing white, upon far wider and more comprehensive lines. The negro had special claims to consideration as being indigenous to the soil upon which the white man had made his home, and, further, from the point of view of the white man, he was, as a competitor, far less objectionable than the Chinaman. His nature appears to be relatively childlike and simple, so that, even though every desire has been shown to extend the employment of black men in the mines, they are controllable, and have never yet been intrusted with any operations demanding even the smallest modicum of skill, or the exercise of the individual qualities of independent thought or discretion. We know that the Chinaman labours under no such disabilities, that he has a ready imitative faculty which fits him for many skilled occupations, and that his low standard of living, coupled with this capacity to under-

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take work of a varied character, must always render him a dangerous competitor with the white man. Realizing that Australia has not yet surmounted her troubles with neighbouring coloured peoples, and that she still needs to maintain a vigilant watch in order to protect herself against threatened invasions, we thought that we had some claim to express our views regarding the policy proposed to be carried out in South Africa, even though the promised safeguards implied the virtual imprisonment of Chinamen within compounds, as has been the custom with negroes upon the diamond fields, and, for aught I know, also upon the gold-fields. Under these circumstances we felt that a false sense of security was sought to be established in the Transvaal, where the introduction of tens of thousands, or perhaps a hundred thousand Chinamen, who could not be kept in compounds, must imply a revolution in the whole scale of their social and industrial life, followed by, and carrying with it, insidious consequences, undermining the foundations of society, and poisoning the principles of self-government and progress. The step would be the most fatal that any people could take. It was not the time to stand upon nice distinctions, so there was no hesitation on the part of the Government in agreeing to take action; but it was not the action proposed. I speak with all respect of the opinions of Mr. Seddon, the Premier of New Zealand, but submit that when he asked the Commonwealth to join him in urging strongly the Imperial Government to use its prerogative, he asked us to unite in taking a step which was foredoomed to failure, and therefore undesirable, and which also implied a right on our part to dictate to a community, not by any means completely self-governing, but within reach of self-government, and having the power, by means of a referendum, to ascertain, in the most decisive fashion, the will of its own white people. A request that the proposed law should be submitted to a referendum would have been perfectly legitimate, but to ask that the Imperial veto should be exercised on the legislation of even a Crown Colony, and that, as the Secretary of State for the Colonies has phrased it, "the wishes of one part of the Empire on any matter which it regarded as of paramount importance to its well-being, should, in deference to the representations of another part of the Empire, not directly interested, be set aside," would

involve the establishment of a precedent in our inter-Imperial relations which might will be described as reactionary. If we, in this part of the world, were to appeal to the Imperial veto, we should be reviving a power that has dwindled immensely during the centuries, and which, although it has been exercised in recent years in regard to minor questions, has never been applied even in colonial matters to any question of first importance, or to destroy a measure upon which the will of the people was absolutely clear. With the recollection that in our own States, without going any further, we have often found, and are likely to find, a party ready to appeal for the exercise of the Imperial veto against a majority, whenever the desire of its own minority is crossed—a device which was tried in connexion with the Pacific Island Labourers' Act in Queensland, and attempted in this State whenever Victorian politics reached the white heat at which some new reform was being moulded—I did not care to revive that practice save under the pressure of the most absolute necessity. In the first place, I shrank from appealing for the Imperial veto at all, and in the next was disinclined to ask for its application to a distant community, with whose circumstances one cannot pretend to be so well acquainted as its own people. They ought to be approached upon a footing of equality by reason and argument, and by the suggestion of our advice, but not by a demand that the strong hand of those who are in authority over them should be exercised without their consent or will. That was why—not through any lack of sympathy with the proposals of the Premier of New Zealand, but in order to attain what seemed to us a most excellent end, and to express an almost universal feeling—we refused to adopt a course which might have rendered it easy hereafter for appeals to be made to the central power against legislation which had been deliberately adopted by Colonies enjoying more or less representative government. That is a resort to be employed only in the last extremity. We still had open to us an appeal to the people of the country which will be chiefly affected by the introduction of these Chinese, and, through them, an appeal to the Parliament of the mother country and to the British Government. We reached them just as well through this proper channel of communication, although

our views were reflected from the Transvaal itself.

Mr. FISHER.—It is quite as important to appeal to the British elector.

Mr. DEAKIN.—It seemed to me, therefore, that, without establishing an extremely dangerous precedent, we could attain all the results that could be expected by following the course we took, which exposed us to no risk in the future of any claim by some other part of the Empire for the exercise of the Imperial veto against any of our legislation. I think that the result abundantly justified the course we took. The Secretary of State for the Colonies, replying to the Premier of New Zealand, who made direct representations to him, which we refrained from making, very politely and properly commenced by saying that he fully recognised the title of all the self-governing Colonies to express their opinions upon so important a question, especially those which, like New Zealand, had rendered memorable service in the South African war. He then went on to say that—

Each of the States of the Empire, by reason of its direct interest and special knowledge of the conditions affecting it, is best able to deal with its own problems. . . . It must not be forgotten that there is much that is abnormal in the economic conditions of the Transvaal, which might call for abnormal measures, and His Majesty's Government, consistently with the policy which it has laid down, could not refuse to accede to the wishes of one part of the Empire on any matter which it regarded as of paramount importance to its well-being, in deference to representations from another part of the Empire, not directly interested. His Majesty's Government feels assured that the Transvaal Government will give such weight to the opinion of any self-governing Colony, as the exceptional circumstances of its country permits.

That is to say, while waving aside the request for the exercise of the Imperial veto, and pointing out that, under such circumstances, it could not be properly applied, he indicates that the Transvaal Government is the authority which could and would give weight to our representations. We had appealed to the Transvaal authorities, just as was here advised. Having regard to the path which we had to tread, the novelty of the step to be taken, and its possible consequences, I submit that the policy we adopted was as effective as any that could be taken. It produced practically the same effect as an appeal to the Imperial prerogative, and left us unembarrassed for the future by

any reflection that a perilous precedent had been established. Self-governing peoples, to whom, to quote a fragment of the speech cited by the honorable member for the Barrier last evening, "liberty and self-government are as the very breath of their nostrils," ought not to apply for the exercise of an Imperial veto upon legislation even when enacted by a State armed with incomplete self-governing powers. The referendum remains. I trust that I have not detained the House too long in emphasizing the significance of our representations. I need not remind honorable members of the warning which Australia communicated to the Transvaal Government. I should, however, like to read a few sentences from it, in order that honorable members may check by their own knowledge of the sentiments of the people of this country, the expression of our opinion which we placed before South Africa, and through that country before the whole Empire. We said that—

Australia, after years of experience, is convinced that practical prohibition of Chinese immigration is imperatively required in the best interests of the people of British communities, especially of those which enjoy or expect to enjoy the powers of responsible self-government.

We added—

Though most reluctant to travel beyond their own boundaries, in order to introduce themselves into matters having local import, they foresee grave perils, racial, social, political, and sanitary, inevitably induced by alien influx, injurious to yourselves and neighbouring territories, with which your future is linked indissolubly and finally to the Empire of which South Africa is a great and vital part. We are aware of the safeguards which you propose, but our experience with alien races shows that, however the conditions of their introduction and employment may be made, yet it is practically impossible to prevent the existence of many and serious evils. Moreover, such introduction creates vested interests on the part of employers, which render it extremely difficult to terminate the practice when once it has been sanctioned. We earnestly commend these considerations to you as far outweighing any immediate pecuniary gain. Momentary material advantage will be dearly purchased by the introduction of a foreign element, which is dangerous while unassimilated, and which is not to be assimilated without detriment to our progress, institutions, and patriotic ideals.

I venture to say that these sentences express the deliberate conviction of the Australian people; and I have been extremely gratified to learn, from such intimations as have reached us from South Africa, the manner in which that communication was received.

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It is perfectly true that some score or two of those calling themselves Australians favoured me with a telegram in which they objected to interference by this Commonwealth. That telegram was unsigned, but it was followed by a letter, courteous and argumentative. But I also received a cablegram from another Australian, Mr. Outhwaite, whom I did know, and who was well-known to Melbourne before he left for South Africa, where he is, I believe, associated with the *Guardian* newspaper. This cablegram informed me that the gathering of Australians was private, secret, and unrepresentative. Of course, there will always be differences of opinion amongst those faced in a new country with the fierce stress of circumstances now existing in South Africa. I have no wish to pass judgment, even by implication, upon the men who are charged with the delicate task of endeavouring to pilot the Transvaal through the initial stages of its education, up to the stage at which it will receive self-government. For the present High Commissioner, Lord Milner, we must all cherish the highest admiration, as a man whose intellectual gifts have marked him out for his present position, and whose immense courage and endurance carried him through the enormous strain of the late war. No one can read his despatches without feeling that he, and those who advise him, are thoroughly penetrated with the necessity of the step they are taking, and confidently believe that it is the best available. After such an admission it may seem reckless to venture, as we have done, and do, to challenge their judgment. But we do so solely on the ground of experience, such as Lord Milner has not yet enjoyed. We in Australia have had experience, in a new and sparsely-settled country in the neighbourhood of great coloured populations, of the endeavours necessary to preserve a heritage for the white race. We have also had experience of the strain to which self-governing institutions are subjected by the introduction of a large class of wage-earning citizens, incompetent in the higher sense to join in the tasks of self-government—dangerous to exclude and still more dangerous to include in the franchise. It is the knowledge of such conditions that enables us, with all deference to their local knowledge, to venture to pass an opinion on the action of the authorities in the Transvaal. We pass that opinion, I must say, with the greatest sympathy for those in South Africa who take an opposite view. I have been favoured

with letters from residents in Johannesburg and neighbourhood telling me that the condition of affairs there during the last few months resembled nothing so much as the sickening experience in Victoria, and some of the other States, when we staggered under the heaviest blows of our financial collapse ten years ago. Their resources seem dried up, all doorways to employment closed; the immediate urgency is for work and for what work would bring—food. Under these circumstances—faced by the absolute necessity to find work where work is not offered, or of leaving the country when their means are too exhausted to enable them to do so—I have nothing but the sincerest pity for many of the hundreds, and perhaps thousands, who acquiesce in the demand for Chinese labour. This demand is made either because the people have been led to believe—and attempts have been made to lead them to believe—that in this direction lies the promised land with work and wages, or because, even if they know it is not the best course, they feel that it will give employment and enable them to live for the time, and is, so far, good. I see that Lord Milner, within the last day or two, has pledged his reputation that the employment of Chinese will lead to the further employment of white labour; and there is no doubt that Lord Milner believes what he says. Probably he is correct, if he ignores the price to be afterwards paid by white labour. From the letters which have reached me, I gather that the local circumstances are of the keenest and severest, and that a great deal is to be said in excuse for those who, from one motive or another, have joined in or consented to this agitation for Chinese labour. It is a question between the present population and the future of the country. At the same time we have to recollect some of the circumstances and conditions which impose this intolerable pressure upon a people, reduced, many to want, many to penury, and many to emigration. These conditions are not all natural or unintentional in origin. I do not propose to quote from the utterances of partisans of either side. So far as I have anything to add, I shall quote only from official documents, upon which we can rely to a large extent. I have before me the majority and minority reports furnished by the Native Labour Commission, upon which the action now proposed to be taken is sought to be supported on the one hand and impugned on the other. Both reports are

extremely able documents, exhaustive in information, terse in presentation, and telling in argument. They place before us very fairly the South African situation, as it actually appears to-day, in those aspects which concern us in the consideration of the motion; and I do not propose to dive any deeper. There are spots on the sun, and there are slips, or, at all events, one slip, even in this document. For instance, I take it that it will be news to most Australians to find that a report presented in 1898, under the auspices, I believe, of the Chamber of Mines, said—

Proposals were made to your Committee to supply Chinese labour, on the ground that it is efficient and cheap, as shown in the Australian mines, where Chinese are largely employed.

Mr. FISHER.—That means the Northern Territory.

Mr. McCAY.—In Victoria every mining lease prohibits the employment of Chinese.

Mr. DEAKIN.—There are no Chinese employed in the mines in Victoria, and, so far as I know, there are none employed in Queensland.

Mr. FISHER.—Hear, hear.

Mr. DEAKIN.—Speaking as an Australian to the representatives of all Australia, I am surprised to learn that Chinese labour in the Australian mines is "efficient and cheap."

Mr. ISAACS.—In what report does that appear?

Mr. DEAKIN.—It is quoted in the majority report from the previous report of 1898. But it seems to me that the crucial issue as disclosed by these majority or minority reports may be placed before honorable members in a comparatively simple form. There is on the Rand what is said to be the greatest extent of gold-bearing country known. There is in sight an enormous quantity of low-grade ore waiting to have its gold extracted. The real difference of stand-point discovered by these reports lies between two parties. The first are those who say that this gold should be extracted from the soil in the shortest possible period of time, by the employment of the greatest number of labourers of any colour, in order that the largest dividends may be paid upon mining investments, and that those who have speculated may reap the richest and quickest harvest. That is one proposal—tenable and reasonable from the stand-point of those who make it. Then there are those who say that the mere extraction of this gold within,

say, twenty years, is not the best use to make of this great national treasure. It can be employed for something else besides booming mining stock or paying huge dividends. It can be worked with consideration for the territory surrounding it and its white settlers; so that instead of the area being exploited at one stroke, left at the end of twenty years an exhausted and depleted field, so far as mining is concerned, the riches possessed there could be so employed that they could be made to assist in the development of the rest of the country. It is admitted by both sides that on the mines the Transvaal depends. The country is too far from the sea-board to permit of its agricultural produce being profitably exported. Its farming interest is said to depend on its mining interest; and the development of its mining resources means, therefore, the development of its agriculture. Upon those two all the trading, commercial, and professional interests of the country depend. Now, if that be admitted—and it appears to be admitted in both reports—we have a fairly clear issue put before us. The majority report advocates the introduction of the Chinese, and not always quite intentionally, but still very plainly—carries on its very face evidence of bias. In a very few passages which I propose to read, will be found the position of the men whose object it is to realize upon the gold in the Transvaal in the shortest possible space of time. I will take, first, an extract from the majority report. In that document I find set out a statement of the ambitions which are cherished by the party of exploitation. They point out that there are at present engaged in the Transvaal 181,000 natives; that to accomplish all they desire they would require 403,000 natives; and that consequently the shortage which they seek to supply is equivalent to the labour of 221,000 negroes. I take it, that, on the very face of it, the proposal to introduce either that number or a lesser number of Chinese who would furnish an equivalent labour power, must imply a revolution in the circumstances of the Transvaal. If they import 100,000 Chinese, is there any power in the Transvaal that can restrain them within compounds, that can control them or deport them from the country again? Is there any power that can deal adequately with 100,000 men of a people so intelligent, persevering, and courageous? I find that what is dwelt upon in this majority report, page 7, is the

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immense importance of an early expansion of mining operations in the Transvaal. The report says—

The immense importance of an early expansion was emphasized by several witnesses. Sir Percy Fitzpatrick said that the general position of the country to-day was not to be justified on the basis of the mining industry's position in August, 1899; it was only warranted on the assumption that the reasonable expectations of further development would be realized. There were properties awaiting development for which the skilled labour, machinery, and money could easily be found, and in connexion with which some £50,000,000 would be spent by way of working capital, as labour became available. The commitments of the country were heavier and more numerous than in 1899, and the superstructure reared on the industry vastly greater. The base would have to be broadened, or the building would topple.

I take that to mean, put in other language, that the statement of the honorable member for Bland is justified as to the over-capitalization of these South African mines. This passage amounts to a confession that the mines stand in the market, not at what may be termed their practical worth as they stand, but, at a speculative value. There is an attempt to claim, as their present value and for the present shareholders in those mines, something which can only be obtained, if at all, by an enormous increase of output, and by a much hurried utilization of their resources. One of the witnesses, Mr. J. A. Hamilton, who is a manager of one of the great mines in the Transvaal, said that—

The loss to shareholders through the standing idle of the 3,240 stamps, was about £3,000,000 sterling a year in dividends.

Then I find that Mr. F. Hellmann, general manager of the East Rand Proprietary mines, said that—

If a mine were laid out so that its ore might be exhausted, say in twenty years, "if you double that time you increase the value of your claims and the shares of the company approximately 50 per cent."

The report adds—

It is, therefore, imperative to find means to enable the mines to work to their full capacity, so that the European investor can earn a reasonable rate of interest on investment.

What is regarded as a "reasonable rate of interest" is not specified. There we have one side presented—the view of those who desire to introduce 220,000 labourers for the exploitation of the mines of the Rand. What do they say in regard to white labour? The majority report says (page 15)—

No employers have continuously used white men for the rougher classes of manual labour.

I find, throughout their report, that the advocates of the introduction of Chinese always argue on the assumption that what is desired is that the white man shall work side by side with the kaffirs in the mines at the lowest kind of unskilled labour, shifting ore and other mechanical tasks of that description. They continually base their contentions on that assumption, which I shall presently show is unfounded. They say—

There are facts indeed which tend to show that an exactly contrary displacement of white by black labour has been in progress.

And they point to that as their answer to the demand that more white labour shall be employed in these mines. In regard to Mr. Creswell, whose statements have been referred to by the honorable member for Bland, they say—

With the single exception of those handed in by Mr. Creswell, all the figures adduced before the Commission supported the view that so far as the Transvaal mining is concerned, white labour cannot profitably compete with black. Mr. Creswell's figures were disputed by competent witnesses, but it is not necessary to determine their exact value. His experiments were not carried out under test conditions; but even if they had been the results obtained in experiments of this character have little practical bearing upon the proposal to introduce white labourers in numbers for the reason that the profitable employment of white men depends upon the rate of wages paid, and the rate of wages is determined by such items as rents, cost, and conditions of living, variations in which completely alter all the factors of the experiment.

Considering that the Creswell experiment was tried on the Rand, in Rand mines, by men paying Rand rents, and buying food at Rand prices, this is rather a peculiar statement. It seems to show that the Commissioners were biased against white labour. They go on to say finally—

That the demand for native labour for the Transvaal mining industry is in excess of the present supply by about 129,000 labourers, and whilst no complete data of the future requirements of the whole industry are obtainable, it is estimated that the mines of the Witwatersrand alone will require within the next five years an additional supply of 196,000 labourers.

That is for the mines alone; the total I gave before was for the mines and the farms.

MR. CAMERON.—How many white labourers are now employed?

MR. DEAKIN.—Comparatively speaking, there are no white labourers employed in shovelling ore, that is to say, in doing what is called black men's work. But there

are white labourers doing other work, I think they number some 11,000. I have detained the House longer than I intended, but desire to place before honorable members the other side of the picture. This will be found in the minority report. The majority report is signed by ten members of the Commission, and the minority report is signed by only two, Mr. Quin and Mr. Whiteside. The Commissioners signing the minority report say—

We are of opinion that a figure representing the net requirements of native labour is not to be arrived at by accepting without scrutiny the statements of interested parties, and especially of persons who have no permanent interest in the country, but desire an immediate expansion, regardless of future consequences or the permanent prosperity of this Colony.

They go on afterwards to reduce the number required to the number, either now or immediately, to be available in the country. They then proceed to say—

The principal evidence laid before your Excellency's Commission, under the head of requirements, was that of the Chamber of Mines, an institution whose function is to watch over the interests of the shareholders in mining companies. It is composed of gentlemen who represent, and, for the most part, act under the instructions of the large financial houses, whose headquarters are in London or other European centres. These financial houses control the mines, the majority of whose shares are held by persons whose direct interest in the welfare of this colony and its inhabitants is confined to the value of their share-holding. It is therefore obvious that, in carrying out their duties as guardians of the financial interests of people living outside this colony, the functions of the chamber is to see that the mines under their control pay the largest dividends possible to their absentee principals, and this without any regard to local feeling and opinion. We are far from suggesting, on these grounds, that the evidence of the chamber should have no weight; on the contrary, it would have been most unfortunate if their views had not come before your Excellency's Commission, seeing that these views are the outcome of a policy concisely stated by Mr. Hennen Jennings, Commissioner of Mines—"White labour must come, it is absolutely inevitable; but I do not want to have it come."

Then, referring to Mr. Creswell's letter and other documents, they say—

In our opinion these documents demonstrate that the policy of the Chamber of Mines is directed to the perpetuation of the inferior race-labour system by the importation of Asiatics, and in one of opposition to the growth of a large British working population.

The next important point the Commissioners making the minority report submit is to be found at page 3 of their report. They point out why at present white labour is so dear, and why, in some respects, it may be considered unsatisfactory. They quote the

following evidence given before the Industrial Commission of 1897 by Mr. T. H. Leggett, a consulting engineer:—

Why is it then that these men are willing in one country to accept half the wages they require in another? I think the answer will be found in the simple fact that in America these men go with the idea of settling permanently. They become an integral part of the country. They say to themselves—"This country is good enough for us and our children." Their margin of profit at the above stated wages is almost equivalent to their margin of profit in this country, due chiefly to the difference in the cost of living. But, above all, they realize the fact that they have gone into a country in which they intend to stay and make their home. Here, on the contrary, the aim of nine miners out of every ten is to accumulate sufficient money to leave the country, which is not the country of their adoption, as in other Republics.

This evidence was taken under the late Republic—

And gentlemen until it is made so, until the labouring man—who is the backbone and sinew of any industry—becomes an integral part of the country; until he feels that he can settle here and obtain for his family the necessities and comforts of life, without this feeling of being obliged to save money in order to get away—until this condition of affairs prevails, we cannot hope to reduce this item of cost to a figure comparable to that which obtains in the United States.

That is an aspect of the question which, I confess, I was not in the least degree acquainted with until I read this minority report. Here is a statement as to what is hoped from white labour. It is too long to read the whole, but I summarize it as well as I can. Dealing with tests hitherto made, the Commissioners quote the following evidence:—

The work expected from each white man was the same as that obtained from the native hammer boy.

And they add—

And throughout the whole of the evidence given on behalf of these companies appears practically the same prevailing idea, namely, that no change of organization or thought should be necessary in order to make it possible to extend the use of white labour, and diminish the number of natives required. The white men were not equipped mechanically at all; no change was made apparently in an organization adapted to kaffir labour, which disregards the superior intelligence of the European; and the management appear to have thought that they had put out all the effort which could be required of them when they had substituted for each kaffir a white man at a higher rate of pay, from whom they only expected the kaffir amount of work.

Then they refer to one very important circumstance in connexion with the present

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condition of affairs in Johannesburg. They quote the evidence of a witness, Mr. White, of the New Goch Gold Mining Company, and the Lancaster Gold Mining Company, as follows:—

What I mean is that the question as to whether the white labourer would be employed, or whether local coloured labour would be employed, or whether it would be obtained from elsewhere, depends entirely on the wishes of the mine-owners. Primarily, they had their say, and if they say to their engineers—"We wish you to have white labour, we wish you to make a very great effort to have white labour on the mines, and the man who can show us how to use white labour will be well rewarded;" then, I think, very good efforts would be made to use white labour, and that it might be successful. But, supposing the mine-owners say—"We would rather not have white labour; we are not keen about it in any case," then I do not think the engineers—I should not as an engineer myself—would have any adequate incentive to put themselves out to try and draw in this white labour by making white labour a success. An engineer is a paid servant, whose business it is, politics apart, to carry out orders, or what he considers to be the wishes of his employers. I think it very natural—I do not wish to say anything against engineers, because I am an engineer myself, and have a very great feeling for them—but I do think this: that the direction in which an engineer puts forth his efforts depends upon the direction which his employer wants him to put forward his efforts. And if his employer did not hold forth an adequate inducement for him to put forth his efforts in a particular direction, it is very natural that he should not turn his attention that way, or if he does, it is in a half-hearted fashion.

Have you any reason to suppose that political affairs may influence the position as to the use of white labour? Certainly, I think it is very largely a political question. In fact, I think it is a political question of the very highest importance.

I have all but finished. I do not wish to speak for myself, because all that I know has been gained from official documents. Then they quote from the evidence of three engineers who formed a Board of Inquiry into the employment of white labour.

Taking 75 men per mine, over, say 5,000 stamps, this would mean employment for an additional 3,750 white men, and it is unnecessary for us to point out to your Excellency what an immense benefit such employment would be at the present time, when so much is heard of the number of white men who are in want of work, and who can find no means of earning a livelihood.

They show that if the object of the mine-owners was to encourage the employment of white labour it would be done to

their profit and to the permanent advantage of the whole country. They say—

We desire emphatically to state that the mineral wealth of the Transvaal is the property of the people of the Transvaal, both white and coloured, and not of the foreign investor, who is entitled to nothing more than good interest upon the capital he invests. It should, therefore, be worked in the interests of the people of the Transvaal, and in our opinion this is best secured by regulating the development of the country by the combined supply of white and African labour.

Their final recommendations are extremely moderate in tone—

1. That there is sufficient labour in Central and Southern Africa for present requirements, although efforts will be required to obtain it.

The reason why efforts are required was given very largely by the honorable member for Bland, and it is admitted here. The sudden and drastic lowering of wages and inconsiderate treatment at certain mines have driven away the natives, and discouraged them from seeking employment in the mines. The native is by nature and habit an agricultural labourer. He requires to be tempted into mine labour, and taught what there is to be taught. It does not come to him as naturally as agricultural labour. Of course wages are the chief temptation to the native, who does not care about work. The other conclusions of the minority are—

2. That the present so-called shortage in the Transvaal is largely due to temporary and preventable causes.

3. That understanding future requirements to mean such as, if satisfied, will benefit the country as a whole, we consider there is also sufficient labour in the territories named above for future requirements.

4. That in many ways the supply of native labour can be supplemented and superseded by white labour.

In regard to African labour I have only one thing to say, that the majority report advocates the introduction of the Chinese, but it still aims at employing as much negro labour as at present, in fact, if possible, at extending it. In this regard it is faced by certain difficulties, which the majority report discusses. The difficulties and proposals to meet them, I think, cast a good deal more light on what I might term the policy of exploitation. The native has few wants, and they are easily satisfied. He is not, therefore, to be induced to work for long periods, and generally requires a special temptation to labour at all. The difficulty in Africa everywhere appears to be to get the native to

work, and in this regard there is a slightly humorous passage from a report furnished to the German Government, and published by them in regard to their West African possessions—

The difficulty of procuring native labour still makes itself felt in many districts of the German protectorate in Africa and the South Sea, and the question of the best means to adopt in order to induce the natives to work, has not yet been satisfactorily solved. Except in the case of a few tribes, who seem more actively inclined by nature, all the efforts of the authorities, as well as the preaching of the gospel of work by the missionaries, have borne little fruit. The wants of the natives are so few that it is difficult to offer any inducement sufficiently tempting to make him overcome his natural disinclination to work, and the question whether it is justifiable under these circumstances to make him work under compulsion has been much discussed of late in the colonial press.

At the close of their report the majority make their suggestions to improve the labour supply. They reject, to their honour, the proposal to employ force. They think that something is to be done by the imposition of higher taxes, because the native would have to earn something to pay his taxes. They think that the labour tax has a great deal to be said in its favour, and that by altering the native land tenure system they might make things not quite so easy for him as at present. They consider the effect of his tribal system. They inquire whether the native social system should be attacked with the object of modifying or destroying it. Then they proceed to make recommendations, such as the abolition of polygamy, the compulsory use of European clothing, the prevention of squatting, and so on. But all means are more or less unsatisfactory. It is on those grounds that they appeal to the public of that State to introduce yellow labour as well as black. The contention of the minority report is that the black labour is sufficient; that it belongs to the country; that it is labour of the simplest and lowest grade, and that there is plenty of employment for as much as can be supplied. It leaves the best openings for the increase of white labour. The introduction of yellow labour causes a very much greater and deeper difficulty, as has been well expressed by the Bishop of Mashonaland, who points out that—

The agricultural industry is more important to the permanent inhabitants of these territories than the mining industry, and sufficient allowance has not been made for the fact that the native tribes are

agricultural labourers first and naturally, and mine labourers secondly, and after training.

His lordship goes on to say—

There has been presented to the Government of the Transvaal two reports of the Native Labour Commission. With regard to the majority report, it must be observed that that report assumes the necessity of getting as much gold as possible out of the earth in the shortest space of time. It is not necessary for the permanent good of a community that the mineral wealth of a country should be emptied out of the earth in a limited number of years. For all reasonable permanent returns for investment, with patience, good management, and sympathy (which need not mean maudlin sentiment) sufficient native labour could be secured from those races indigenous to the country, who have been placed in our keeping, and for whom we are primarily responsible. I am further opposed to the introduction of Asiatics into South Africa, as a citizen, on economic, social, and moral grounds. Economically, it will introduce unfair competition between them and the white man and the natives of the country. It is easy to make laws restricting aliens to certain localities and certain work, but this is to put the political clock back at least 500 years. And, further, these new laws will have to be administered if necessary by force. With a hundred thousand Chinamen in the country, how is the Transvaal or Rhodesia to police such a horde, in addition to the increasing difficulty of looking after the present 2,000,000 natives. Secondly, the Eastern does not take long before he is easily able to compete with the white man in all but technical work, even within the mining areas, and I hold that in spite of the most stringent regulations he will find his way out of compounds, or back from China, as a *quasi* settler, just as the coolie has in Natal. Socially and morally, I am opposed on physiological grounds to the mixture of such distinct types as the Mongol and the Bantu. Lastly, in view of Federation, no individual State has the right, however carefully it may be done for its own local self-interest, to involve the rest of South Africa in such a tremendous responsibility as that of the legalized introduction of Asiatics into this Commonwealth without at least securing beforehand the consent and co-operation of all the future States.

We know what Cape Colony has said. We know that the Bishop of Worcester in England has echoed this protest on behalf of the English public. I fear that I have exhausted the patience of honorable members, but thought it necessary to satisfy not only this House, but those persons who may choose to criticise us from abroad, and particularly from the Transvaal—that at all events it is not without reflection, without some inquiries, and without some knowledge of the authorities who are entitled to speak, that we now pronounce a decided opinion on this Ordinance of a country so far removed from us. It is but another version of the social problem which in one shape or other is perpetually confronting us. This is no party question, and I wish to make no party capital out of it. But the

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issue rises before us, and will continue to rise more and more in every development of every self-governing nation as to the extent to which all other considerations of nationality and humanity are to be sacrificed in the race for cheapness without thought of what that cheapness means. The very taproot of modern thought on this subject touches the distinction between a cheapness which may, on the one hand, be beneficial, because it springs from the development of machinery, and improved production, which make the fruits of the earth, or of men's toil available at lower rates. These are universal benefits. But the cheapness that is bought at the expense of human flesh and blood, or, worse still, the cheapness that is purchased by the sacrifice of character, intelligence, and independence, which involves the creation of a servile caste, white or black, is the costliest and deadliest drug in which any nation can indulge. I take it that the fundamental problem in South Africa is the problem that confronts civilization everywhere. It is the problem of problems that will face us next week in connexion with our Conciliation and Arbitration Bill, and which, indeed, confronts us at every turn in our social legislation. It cannot be neglected. Shall our object be merely that of tearing from the vitals of the earth all the gold that it can yield, in the smallest space of time, for distant investors united by no tie to the country, careless of its future and the waste they leave behind, and unmindful of the social system which is the result? Or shall we say that national interests and humane considerations stand higher, that they ought to be placed more and more by the statesmen and by the people, who shall breed or become statesmen, in the forefront of their policy? Shall we not say that if we are anything we are a nation, and founders of nations yet to be within an Empire which is British. It is not British in the colour of all its subjects, but in the number of its white citizens, who control it, who give it authority, force, and weight; whose character and courage sustain it in the day of battle as well as in its industrial tasks from hour to hour. The Empire is great because it is British, and the stronger and more numerous our Britons, the stronger the Empire must become. We were told at the outbreak of hostilities in South Africa, that it was a war for the miners of the Transvaal. If the authorities had gone on to say that it was a war for Chinese

miners, what a different aspect it would have worn. We were told also that it was a war for the enlargement of the franchise, and to secure increasing self-governing powers. But whose franchise? The Chinese franchise? Whose self-governing powers? The self-governing powers of Asiatics? Why were we not told of this outcome at the commencement of the struggle? We should then have said—"Keep your mines; your cheapness is too dearly purchased. It is not to be bought with blood." No Empire can be made strong by such means, but only by its men—its white people, and in proportion to their quality. You may multiply the total of your imports and your exports, and magnify your banking account; you may expand your area by force, or guile; but you will impoverish your nation. You will plant in it the seeds of decay. Although you may be momentarily advantaged, and add to the wealth of many who have already too much, if you destroy the British manhood, the basis upon which the nation rests, it will fall. In the words of Sir Percy Fitzgerald, the base will not sustain the superstructure; it will topple to destruction.

Mr. DUGALD THOMSON (North Sydney).—After the very comprehensive and eloquent speeches made by the mover of the motion, and the Prime Minister, I am sure that I shall best meet the wishes of the House by moving—

That the debate be now adjourned.

Motion agreed to; debate adjourned.

TEMPORARY CHAIRMEN OF COMMITTEES.

Mr. SPEAKER, in pursuance of standing order 25, laid upon the table his warrant nominating Mr. Batchelor, Mr. Groom, Mr. McDonald, and Mr. Wilks, to act as Temporary Chairmen of Committees.

House adjourned at 10.5 p.m.

House of Representatives.

Friday, 18 March, 1904.

Mr. SPEAKER took the chair at 10.30 a.m., and read prayers.

MR. W. T. STEAD.

Mr. THOMAS.—I wish to ask the Prime Minister if he has noticed the statement in this morning's newspapers that a

Mr. Stead has been refused admission into the Transvaal. Will he endeavour to find out whether that statement is absolutely correct, or is merely a newspaper statement? If it is correct, will he also ascertain whether Mr. Stead happens to be a British subject?

Mr. DEAKIN.—I do not know that it may not be considered a breach of press privilege to draw a distinction between a statement which is correct and a newspaper statement. However, leaving the honorable member to settle that with the parties concerned, I assure him that the Government will watch the case of Mr. Stead with very great interest.

S.S. ARAMAC.

Mr. HUGHES.—Has the attention of the Prime Minister been called to a paragraph in this morning's newspaper, in which it is stated that the passengers in one of the boats from the *Aramac* who called at a pilot station were refused permission to telephone from there without paying? I am not aware that the facts are as stated, but if the statement be true, it reflects discredit upon the person in charge of the pilot station. I am certain that the Government would not tolerate such a thing.

Mr. DEAKIN.—I have not seen the paragraph referred to. If I had seen it I should have regarded it as what the honorable member for Barrier calls merely a newspaper statement. It is incredible. The pilots are not under the control of the Commonwealth, though the telephone system is.

Mr. HUGHES.—The narrative reported in the newspaper is very circumstantial.

Mr. DEAKIN.—So is Defoe. I shall make inquiries.

IMPORTS FROM THE UNITED KINGDOM.

Motion (by Mr. DUGALD THOMSON) agreed to—

That a return be laid upon the table of the House, showing—

(1) The total amount of duty collected in the Commonwealth on goods, the product of the United Kingdom, during the year 1903.

(2) The total value of such goods.

(3) The total value of free goods, the product of the United Kingdom, entered inwards during the year 1903.

FEDERAL PATENTS COMMISSIONER.

Motion (by Mr. ROBINSON) agreed to—

That a copy of all papers in connexion with the appointment of the Federal Patents Commissioner be laid on the table of this House.

ALIEN IMMIGRATION.

Motion (by Mr. CARPENTER for Mr. FRAZER) agreed to—

That a return be laid on the table of the House, showing—

(a) Number of Chinese and Japanese admitted from places outside the Commonwealth into the various States during 1903; and the number who have departed during the same period.

(b) Number of Austrians and Italians who have been admitted from places outside the Commonwealth into the various States during 1903.

CHINESE IN THE TRANSVAAL.

Debate resumed from 17th March (*vide* page 719), on motion by Mr. WATSON—

That this House records its grave objection to the introduction of Chinese labour into the Transvaal until a referendum of the white population of the Colony has been taken on the subject, or responsible government is granted.

Mr. DUGALD THOMSON (North Sydney).—There was one remark made by the Prime Minister in discussing this motion with which I heartily agree, and that was that this should not be treated as a party question. It is an Imperial question, and I think that the members who sit on this side of the Chamber have always shown that they can, when occasion requires, rise to national interests, as distinguished from party issues. I do not intend to deal so lengthily with the subject as the two honorable gentlemen who have preceded me have done. They appear to have stated the case to its fullest argument; necessarily, perhaps, because they recognised that they were speaking to a larger audience than that contained within this Chamber. I, for my part, will confine my remarks to the one leading consideration which has induced me to approve of the step taken by the Prime Minister. It was a keen disappointment to me when the decision was come to that large numbers of Chinese should be introduced into the Transvaal to conduct the mining industry there. The war in South Africa is over—that unfortunate war, the one reason for which, I believe, was not so much the questions immediately at issue, but the fact that racial antipathy was so great, and was increasing so rapidly, that nothing but war could terminate the ill-will between the two dominant races there. But that struggle, though over on the battlefield, is not ended. The doggedness of the Dutch, their natural resentment of their defeat, will continue to animate their national spirit, and to keep alive that desire for the

possession of South Africa which, rightly or wrongly, has been so strong with them. There is one means of resistance, and only one which can be effectively opposed to that desire — the settlement of British people in South Africa in larger numbers than the Dutch. The opportunity to secure that settlement is, I consider, being missed. We know the attraction to population provided by rich gold-fields. We know the settlement which has taken place in the western States of America, whither population was first attracted by the golden metal there; and we have seen the settlement in Australia due to the floods of persons of British and other races who were drawn to our shores by the same attraction. Many of those who came here as miners have remained to follow other walks of life. The miner, when his claim has petered out, often looks to the soil for a living, or, as he grows old, turns to the agricultural resources of the land to provide a home for himself and for the sons growing up around him.

Mr. WATSON.—That has been the experience of Australia.

Mr. DUGALD THOMSON.—Yes, and of California and other sparsely populated countries to which immigrants have been drawn in the first place by the presence of mineral wealth, and where an agricultural soil capable of maintaining them has been found. Therefore, I was in hope that British settlement in South Africa would be encouraged by giving every opportunity for white people to enter the mines of that country. I agree with those who say that we should not attempt to exclude the black native population. I would not endeavour to force them to work, though I would not refuse them an opportunity to work in the mines. But after the employment of all the native labour available, we know that there is still opportunity for the employment of many others, and when it comes to the question whether servile aliens or white British settlers shall be imported, I say that, leaving the immediate interests out of consideration, and looking to the future greater interests of the Empire, we should endeavour to encourage the settlement of a white British population in South Africa, as that will prove the strongest rampart against the inroads of the Dutch. In time, especially if the hopelessness of rebellion is shown by the fact that the population is becoming more and more British, the racial antipathy which now exists in South Africa will die, and, as in other British

possessions, the Dutch there, forgetting the past, and finding that they are treated with justice and equity, will become loyal members of the Empire. The reply to my argument is that it is not possible to profitably employ white labour upon the Rand. I am of opinion that no genuine effort has been made to test that question. So far as it has been tested, the results have been encouraging rather than discouraging. Before the British Government take such a serious step as to sanction the introduction of large numbers of coloured aliens, before they lose the opportunity that now presents itself to increase the British population in South Africa, a strong, genuine, and earnest attempt should be made to see if the mining industry there cannot be conducted by white labour, assisted by the native blacks. Only when it has been proved by absolute experiment that that is impossible should such a proposal as that now made be entertained. I am aware that Lord Milner pledges his word that for every 10,000 aliens introduced into the Transvaal 10,000 whites will be employed in the course of a few years. But that does not meet the objection. If 10,000 whites were substituted for the 10,000 Chinese, whose introduction is contemplated, 25,000 whites would find employment. This number would embrace the 10,000 men who would take the place of the aliens, the 10,000, who, according to Lord Milner, would be required in addition to them, and at least another 5,000, who would be engaged in ministering to the greater necessities of a white as compared with a coloured population. That 25,000 might be multiplied according to the figures, as to the need of workers, which are available to us. If 25,000 British settlers were added to the population of the Transvaal they would afford a very great safeguard to the British Empire in South Africa. Grave questions, however, suggest themselves as to the desirability of one State in the Empire endeavouring to interfere with another. Judging from the correspondence, even the Premier of New Zealand, as well as the Prime Minister, had some qualms upon this point. At the time that the correspondence on the subject was entered upon it might very well have been doubted, in the first place, whether interference was desirable; and, in the second place, whether it would have any substantial effect. The question of desirability is now set at rest by the communication from the Secretary of State

for the Colonies to the Premier of New Zealand, in which he says—

I fully recognise the title of all the self-governing Colonies to explain their opinion on so important a question, and especially of those who, like New Zealand, rendered memorable services in the South African war.

Thus, from the highest authority, we have a justification of the representations made by the Prime Minister. I quite agree that the proper course was to communicate with the Transvaal Government rather than seek to obtain a veto from the Crown. Our representation has now been made, and without meeting with objection on the part of the British Government. Reference is made, in the despatch of the Secretary of State, to the services rendered by Australia and New Zealand in South Africa. Several honorable members have also dwelt more or less upon our action in that matter, as entitling us to express our opinion with regard to the future of the Transvaal. I do not wish the references to our services in South Africa to be overdone.

HONORABLE MEMBERS.—Hear, hear.

Mr. DEAKIN.—There was no allusion to them in the telegram I sent.

Mr. DUGALD THOMSON.—No, I observed that, and I think that the Prime Minister exercised a wise discretion. No doubt honorable members have had experience of that most undesirable individual, the person who has done you a service at some period, who is utterly regardless of the fact that you may have done him twenty services, and who, because of that one service is always presuming upon your good nature.

HONORABLE MEMBERS.—Hear, hear.

Mr. DUGALD THOMSON.—We all know him. At election times he is very much in evidence. For any service we may have rendered Great Britain, she has rendered us a score.

HONORABLE MEMBERS.—Hear, hear.

Mr. DUGALD THOMSON.—If I did not believe that we were prepared to again do that service—prepared again, if need be, to come to the rescue of the British Government in South Africa—I should say that we had no right to raise our voice upon the question now under discussion. It is because I believe that we are prepared, whenever the Empire stands in danger, or whenever there is a disruption in a portion of it, to recognise our responsibilities and to give our money and our men to support the great Empire of which

we form a part, that I regard it as legitimate for us to express, not in an objectionable manner, but calmly and respectfully our opinion upon the situation in South Africa, as it is likely to affect the Empire in the future. There is one respect in which I do not agree with the action of the Prime Minister. He said that he was prepared to follow any man who took the right course. He was then referring to the Premier of New Zealand. In this House the Prime Minister has shown a similar willingness to follow, and notably in the present case. Either the Prime Minister regarded such a resolution as that now before us as unnecessary or undesirable, or he neglected his duty by not himself appealing to Parliament to indorse the action taken by him during the recess.

Mr. DEAKIN.—That has been done. Special reference is made to it in the Governor-General's Speech; that is the Government's way of asking for the indorsement of Parliament.

Mr. DUGALD THOMSON.—Then, as I say, the Prime Minister must have regarded a resolution as unnecessary or undesirable.

Mr. DEAKIN.—One never regards as undesirable a resolution emanating from the other side, approving of one's action; it is quite a pleasant experience.

Mr. DUGALD THOMSON.—If a resolution had been desirable, the Prime Minister should have been the one person in this House to propose it. I am not objecting in any way to the action of the honorable member for Bland in bringing it forward, but I contend that the Prime Minister, having taken this matter in hand—a delicate Imperial matter—should have been to the end, the leader of the House upon the question, and not a mere follower of another honorable member. As to the resolution itself, I must say that I do not like the wording of it. As the Secretary of State says, all we have a right to express is our opinion. We have no right to protest or to object.

Mr. POYNTON.—Why?

Mr. DUGALD THOMSON.—Because an objection or protest implies the exercise of some real power of interference. I quite agree that we could pass a resolution dealing with the inhabitants of Mars, if there are any; but, I believe that the proper course to adopt in a case of this kind is to express our opinion. That opinion would remain, whether a referendum took place in the Transvaal or not.

Here, however, it is proposed to go beyond a mere objection even. It is proposed to deal with the method of admission, if there is to be an admission, of Chinese into the Transvaal. In the first place, we say in effect that there ought to be a referendum. How would the British Government view a resolution of that kind? The Transvaal is still a Crown Colony. Why? Because it has been recognised that, owing to the feeling of resentment due to the war, and owing to racial differences, the people of that territory cannot at present be intrusted with responsible government. It is felt that the votes of the Dutch element might be influenced, not by national, but by racial considerations, and that there might be a desire, not so much to promote the general welfare and progress of the community, as to harass the Government. The British Government, which has ever shown its willingness to grant responsible government when a people are ready for it, felt that the residents of the Transvaal were not ready, and declined, for a time at any rate, to let them settle questions of public importance by their own votes. That being so, it seems to me rather extraordinary to suggest that a vote on such an important question should be given by those who, according to the present view of the British Government, should not be allowed to exercise such a privilege.

Mr. WATSON.—The despatch from the Secretary of State for the Colonies to the Prime Minister states that the desire of the Imperial Government is to consult the wishes of the people of the Transvaal.

Mr. DUGALD THOMSON.—There are different ways of ascertaining their wishes. The honorable member for Bland spoke of a petition to which the signatures of the majority of the white population of the Transvaal had been attached.

Mr. WATSON.—Alleged signatures.

Mr. DUGALD THOMSON.—The honorable member doubted the genuineness of that document; but it might be perfectly genuine so far as the Dutch residents in the Transvaal are concerned. It might very well occur to them that the introduction of British white labour would have the effect of reducing them to the position of a minority.

Mr. WATSON.—The promoters of the petition in the Chamber of Mines at Johannesburg were nearly all foreigners.

Mr. McDONALD.—There were only two English names in the whole lot.

Mr. DUGALD THOMSON.—That supports my view. I think that it is reasonable to assume that the Dutch element might see very good reason for the introduction of aliens rather than white Britishers, who might eventually outweigh their own influence. We know that the settlement of the matter cannot be deferred until the establishment of responsible government. Therefore, I think that another form of resolution, which expressed practically the same view, but which avoided debatable points, would have been infinitely preferable. I do not intend to submit an amendment, but I believe that the whole effect desired could have been secured without raising those objectionable issues, which, to some extent, are raised by this resolution.

Mr. KINGSTON.—The honorable member would prefer that the resolution should stop at the word "Transvaal."

Mr. DUGALD THOMSON.—No, I think that a resolution expressing the opinion of this House, and intimating that that opinion was based upon the undesirability of the introduction of these aliens into South Africa, in the interests of that country, and of the Empire, would have been quite as effective, and would have removed those grounds for objection which might be raised in connexion with this motion.

Mr. FISHER.—Is it worth while submitting two different resolutions in the two Houses, when we all mean to convey the same sentiments?

Mr. DUGALD THOMSON.—I am aware of that, but I think that the resolution submitted to the other Chamber might have been in a better form. Another remark was made by the Prime Minister in his eloquent peroration last night, to which I desire to allude. He said that the British nation was great because it was British.

Mr. DEAKIN.—Because of its Britons. That is the sense in which I used the words. I said that the more Britons there were, the more British would the nation become.

Mr. DUGALD THOMSON.—I should like to point out to the honorable gentleman that the British nation is not wholly British, is not, indeed, even largely British. There are far more dark-skinned than white-skinned subjects in the Empire.

Mr. FOWLER.—What part have the dark-skinned subjects played in the development of the Empire?

Mr. DUGALD THOMSON.—If the honorable member will permit me to finish what I desire to say, he will understand

precisely what I mean. I say that the British Empire is great because its rulers, in handling some of the most varied races of the earth, have always recognised that right and justice must govern their intercourse with, and their control of, these people—that the black-skinned, as well as the white-skinned must receive justice. When I have been compelled to object to some of the legislation proposed by the present Government, it has been sometimes because, in my opinion, they were neglecting those canons which have established Great Britain as the great protector of the coloured races of her realm, and their honest ruler. If we depart from those great principles, there is nothing more certain than that we shall lose our hold upon those races, and that, whilst the British nation then might be more British, it would certainly be less great.

Mr. EWING (Richmond).—Each of the speakers who has approached this question has done so upon high grounds. Although incidental references have been made to operations at Pine Creek, Coolgardie, and various other local matters, all have taken the stand that our only justification for interference in this matter is based upon a recognition of our Imperial responsibility. I desire that honorable members shall deal with a question of this kind absolutely with their eyes open. No one can vote for this resolution unless he is prepared to become for all time an Imperialist. Then, too, we must not forget that if we claim the right to interfere in the affairs of other parts of the British Empire, we must also grant them the right to interfere in our affairs. If we agree to this resolution we can never again be perfectly entitled to exercise absolute control over our own affairs, that is, without expecting to receive suggestions from other parts of the Empire. To me it appears that this resolution constitutes the first step that any Parliament in any portion of the British Dominions has taken in the direction of Imperialism and in the direction of handing over for deposit in what may be called the "national crucible," all the legislation which may be enacted in any part of the Empire. Honorable members will recollect the statements which were made a very short time ago, when the Naval Defence Bill was under the consideration of this House. Upon that occasion I endeavoured to deal with the question of our Imperial responsibility, urging that if we

are a part of the Empire there is only one way in which we can adequately protect it, namely, by providing one navy. On that occasion some honorable members exclaimed that I was the first person who had admitted that the Australian contribution was intended for Imperial purposes. Of course it was intended for Imperial purposes. The same remark applies to this resolution. We have been accustomed to hear that the only work which is required of the Commonwealth Parliament is work incidental to the amelioration of the condition of the masses of the people. When I vote for any resolution, it is absolutely necessary that I should be in sympathy with the principle underlying it. A person cannot say that he is in favour of Imperialism when it means only talk, and against it when it involves expenditure, or *vice versa*. We have no right to interfere in this matter unless we are prepared to accept our full responsibility in connexion with every act of the Empire. I frankly admit that a great deal of the good work which is performed by Parliament is done by enacting such legislation as the establishment of an Eight Hours Day or Conciliation and Arbitration Courts. We are accustomed to hear from a section of the House, of which I speak with respect, because of its numerical strength—

Mr. FISHER.—Oh!

Mr. EWING.—I did not say there were no other reasons why I speak of it with respect, because I have personal reasons beyond that. We are accustomed to hear that the work to be performed by this Parliament is work of that description. Indeed, that view constitutes a sort of Monroe doctrine. I remember the time when the Monroe doctrine was universally accepted in America. The whole nation theoretically believed—and their literary men were continually urging that belief—that the States had no responsibility outside the domain of America. But in the course of a year or two, as the result of national complications which were controlled by the special environment, we found that nation not only seizing the islands adjacent to the United States, but stretching its hands right across the Pacific to the Philippines themselves. Some honorable members who believe that we have work to perform in connexion with national reform are of opinion that that is all we have to do. But when they are brought face to face with injustice to other parts of the Empire they throw their Monroe doctrine to the winds and become Imperialists. What gives us

the right to interfere in South African affairs at all. Let us suppose that the Transvaal were a German settlement, or under German control. Would not the action which is now contemplated expose us to the humiliation of a very caustic reply? If the French or Germans were in control we should never dream of interfering. Therefore every honorable member must recognise that this resolution is based upon the recognition of our Imperial responsibility. It has been stated during this debate that we are a self-governing community. No doubt we are, but if we agree to this resolution honorable members will understand that for all time we must cease to feel indignant at any attempted interference with our legislation, or at any suggestions which may be made to us by other parts of the British Empire. We know how "touchy" we are in regard to a matter of that sort. If Great Britain attempted to interfere with any law upon which we had clearly and definitely expressed our opinion, we should rise up in indignation. We should tell the mother country that we understood our necessities and local affairs, and if any protest could prevent that interference being made effective we should not allow her to obtrude into purely Australian affairs. The fact is, that Britain has given us the whole of our territory and has placed us in absolute control of our public lands, and that on the continent of Australia there are not to-day more than one or two fly-specks which belong to the mother country. Of course, it is true that we have a Governor-General, but for all practical purposes he is represented in this House. That being our position, it might fairly be argued that we ought to grant equal rights to other parts of the Empire. But we are abandoning that position by our action to-day. I wish conclusively to prove that every man who votes for this resolution does so because he is a citizen of the Empire. Upon what ground, I have been asked by the honorable member for Wilmot, do I take my stand? Upon the ground which has been taken by the last three speakers—because it is conceived that what is contemplated involves a wrong to the Empire. Strictly speaking, we have no right to follow into self-governing countries any man who chooses to take his labour there for sale. But we claim that right, because our destiny is identified with that of the Empire, and because without the Empire we should have no destiny at all.

Therefore we accept once and for all the responsibility of our action, which we take in the interests of the Empire. I desire to say just one word more to my honorable friends who very frequently show antagonism to Imperial sentiments. I approach them in this way: If a democratic person like the Prime Minister or myself were asked why we are Imperialists, what would be the reply? My answer is that from the point of view of the democrat there can be no possibility of democratic reform unless the Empire is safe. I lay that down as a fundamental principle. I admit, as every one must do, the importance of the various matters to which I have made reference—the amelioration of the condition of the masses, the legalization of the eight hours principle, conciliation and arbitration, and other reforms which are the hopes and aspirations of all honorable members.

Mr. HUTCHISON. — The war has hindered the realization of those hopes.

Mr. EWING. — Absolutely. National anxiety or national tumult invariably delays every democratic movement. When a man asks me why, as a democrat, I am an Imperialist, I reply readily that Australia, with her small birth-rate, with her leisurely increasing population, with her mere handful of people, could not stand alone in safety, and that there is no possibility of securing democratic reforms unless she continues to form part of the Empire.

Mr. McDONALD. — That is a terrible doctrine.

Mr. EWING.—I should presume that it was if the honorable member agreed with it.

Mr. O'MALLEY.—What about the Argentine Republic?

Mr. EWING.—It is in the Monroe doctrine that the Argentine finds its safety. The flag of the United States of America virtually floats all over America. Some persons in Australia who shared the theories of the honorable member, tried the experiment of living in a South American Republic, but most of them have returned to Australia, or are likely to do so. Let me show why I consider that it is absolutely essential that, if we are to secure democratic reform in Australia, we should remain part of the Empire. If honorable members take but a brief glance at the world of thought to-day, they will find that a change of feeling is coming over the people of all lands, and that what is

described as a new spirit is taking possession of them. That new spirit means nationalization, as opposed to cosmopolitanism. Cobden, and I speak of him with respect, as an able man was singularly misguided, so far as some of his principles are concerned.

Mr. CAMERON.—Cobden, of course, is unreliable.

Mr. EWING.—I think that I ought to be permitted to express my opinion of Cobden, without any dissent on the part of honorable members opposite. The fact that they do not understand him is not a sufficient reason for their interjections.

Mr. DEAKIN.—It is no reflection on Cobden.

Mr. EWING.—Quite so. Cobden was an exponent of cosmopolitan thought, not because he was a free-trader, but because, perhaps, he was Cobden. He was an exponent of that cosmopolitanism which it was presumed would bring the whole world into touch.

Mr. McDONALD.—What has this to do with the introduction of Chinese into the Transvaal?

Mr. EWING.—It has much to do with it. The spirit to which I have referred is known as the national idea, but, although spoken of as the "new-born spirit," it is not new. It is nothing more than the rejuvenation or resuscitation of the old national spirit, and its guiding principle is—"Let the nation look after itself, and allow the rest of the world to take care of itself." This is the national spirit which is now dominating the whole world, and stands in direct juxtaposition to the views of Cobden and the theorists of his school. Viewing existing conditions from the national aspect, what must honorable members who, like the honorable and learned member for Illawarra, desire a navy for Australia, think of the position? Must they not be impressed with the fact that, as a nation of 4,000,000 of people, we should have no place in the history of the world—that there would be no room for us.

Mr. DEAKIN.—We have room for 40,000,000.

Mr. EWING.—Quite so. I would ask honorable members to survey the position occupied to-day by other nations of the world. I would ask them to look, for example, at the United States, stretching—as the Prime Minister would probably say—from the great Atlantic to the Golden Gate. The very mention of the name of America

conveys to the minds of honorable members suggestions of magnitude, virility, strength, and progress. But leaving the United States of America for the moment, let us turn to Russia, which is so prominently before us to-day. It is like a great octopus stretching out its tentacles in every direction. We see her with one tentacle on the Persian Gulf, another on what is regarded as the English buffer State—Afghanistan; and still others on Constantinople and Finland. She is squeezing the political and national life out of the whole of these communities, while at the same time she is stretching forth yet another tentacle to the Pacific.

Mr. FISHER.—It is hardly fair for the honorable member to say that Russia, in placing one of her tentacles on Constantinople, is squeezing out the life of the people there.

Mr. EWING.—One great national objective is Constantinople. She is doing so, at all events, so far as her actions in other parts of the world are concerned. She endeavoured to place one of her tentacles on Stamboul, but that tentacle has been somewhat shattered. Should Japan succeed in driving Russia back from the Pacific she will damage only one of her tentacles. What is the future of Britain, a couple of small islands, compared with that of a great country like Russia, which comprises millions of people and countless and abundant resources? What is to be the future of Britain or of Australia among the nations of the world? We cannot get away from the conclusion. A nation, like an individual, has an environment, and we have to bear with that national environment, and to consider it. What is the future of Britain, consisting as she does of a few little isles in the northern seas, compared with that of the yellow nations? She has none. At no distance from our doors we have Japan and China, the one fairly awakened, and the other gradually rousing herself from her commercial, national, and intellectual hibernation. These being the facts, it would be impossible for Australia to exist as a separate nation for any great period. Every honorable member knows that Australia would be swallowed at one gulp by these nations if she did not form part of the Empire. The honorable member for Kennedy inquired just now what this aspect of the matter had to do with the question before the Chair.

Let me tell him what we have to do with all these considerations. We know, first of all, that efforts to bring about reform are shattered in time of turmoil and war. Reform is all-important, but it means nothing when we are face to face with national death.

Mr. McDONALD.—That is a novel way of putting the position.

Mr. EWING.—Perhaps I may be permitted to show that the allegory is not overdrawn. I said that there would be no possibility of reform if we were face to face with death.

Mr. McDONALD.—One can repent even at the eleventh hour.

Mr. SPEAKER.—Does the honorable member think that this matter has anything to do with the question before the Chair? Perhaps he will be able to connect his argument with the question.

Mr. EWING.—I shall certainly be able to do so. What I wish to point out is that a nation may be desirous of reform, but that in a time of national anxiety people's thoughts are diverted from such questions. It is impossible to secure anything in the way of reform while a community is threatened with national death. The national mind is then centred upon questions other than those relating to reforms of the character which now agitate the minds of honorable members. And so, if we were not a part of the Empire, we should in the near future have no thoughts or ideas beyond those of self-preservation. The vast yellow nations of the earth are gradually becoming enlightened, and our thoughts would turn naturally to the building up of armies and navies, rather than to the securing of domestic reforms. In such circumstances, what would our national expenditure be likely to be? We should spend money, not in securing the amelioration of the condition of the people, not in paying higher wages to our workers, but in acquiring the armament necessary to prevent national humiliation and national death. While we form part of the Empire, however, we are saved much anxiety and responsibility in this regard. It is in this way that I connect my remarks on reform with the question before the Chair. I have no desire to speak at any great length, but I wish to make one passing reference to certain statements made by the honorable member for North Sydney. The reason why we are interested in this matter is, that Britain possesses but comparatively few breathing

places for her people. Either from climatic reasons, or because other large populations are already there, there are very few parts of the world which Britain can use to this end. A century ago she seized practically every part of the world that was really suitable for occupation by the Anglo-Saxon race. But what is the position? Let us contemplate, for example, the position of Canada. We know that, as one travels north the climate there becomes exceedingly cold, and that beyond the Red River it may be seriously doubted whether the land is fit for profitable permanent occupation by us. One might as well be in Lapland as in the Hudson's Bay territory. There is not much room for a vast nation there. In Australia we have available space, and there is some room for whites in South Africa. On the broad ground, therefore, that more breathing space is required for the British people, and that the white races are the dominant partners in the Empire, we appeal to Britain to keep these parts of the world open for the Anglo-Saxon races, rather than for the yellow man.

Mr. JOSEPH COOK.—I was always under the impression that there was no other nation that possessed so much breathing space as does Great Britain.

Mr. DEAKIN.—But we should not allow it to be occupied by the Chinaman.

Mr. EWING.—The broad ground which I take up is that the British nation, controlled by white men, requires to keep all parts of its territory free for the growth of the white population. Why is Germany endeavouring to acquire possessions in all parts of the world? The answer is, that there is already too great a population in the fatherland, and that she must provide for the natural overflow. It is true that there is a large number of blacks in South Africa, and that, with the cessation of war, with no more of Lobengula, and no further stamping out of the Mashonas by the dominant race, there is likely to be an enormous increase in the number of black, or Bantu races, as the Prime Minister very properly described them. But still there is room for the white in South Africa, and we do not wish to see the yellow man placed there in his stead. No man who is not an Imperialist can or should vote for the motion. No man who is not prepared to allow each part of the Empire, not to

dictate but to suggest with regard to the government of Australia, ought to vote for it, because we cannot claim for ourselves that which we do not give to others. These things should never be forgotten. In a matter of this kind the home authorities are entitled to our fullest sympathy, governing, as they are endeavouring to do, an Empire composed of such unassimilable parts. And we should not in any circumstances act harshly, even with our small power. We know that it is necessary for the British nation, with her vast number of black and yellow citizens, to be perfectly fair to those races, because that is the only way in which she can maintain her control over them. We already asked her by our alien legislation to go a step further in this matter, and to sustain us in slamming the door in the face of her coloured population. There is no doubt that an English statesman—a man endeavouring, as far as he can, to assimilate the hostile elements in various parts of the Empire—has an enormous problem to deal with, and we colonists should endeavour to be reasonable in these matters. We ought to be reasonable in our requests and our attitude. We ought at all times to stand by the nation which accepts such responsibilities for us. We would resent this action if taken by South Africa in regard to Australia. We have only a faint glimmering of the difficulties of the British statesman, in controlling this great Empire. In reading history, how frequently do we come upon incidents which show us why certain things were done in connexion with a certain nation, placing quite a new aspect of the case before us? We do not know the troubles and anxieties of the men who are at the helm in the old country. We do not know but that in passing this very motion we may be giving them serious trouble and playing into the hands of the enemy. But remembering the troubles and difficulties of the nation, I shall still vote for the motion. Although realizing that, as a self-governing country we are running a great risk in interfering, with the government of another part of the Empire, I shall still vote for the motion on the broadest of all grounds—and no other ground would justify any person in voting for it—that we are part of the British people. With them we are dependent upon the numerical strength of the nation. We must preserve intact for it at all times every breathing place that we have. If I did not believe that

Australia had no future except as part of the Empire, I should not vote for the motion. Our only hope, not of progress, not of advancement, not of development, but of the permanent occupation of Australia by a white race, is under the flag of Great Britain, and in no other way. That consideration has been forced more and more upon my mind by the more reflection I have given to the subject. In speaking to my fellow-countrymen in electorates or otherwise, whatever their views may be, I never miss an opportunity of impressing upon them this one fundamental principle—"Go on with your reforms; do all you can for the amelioration of the people; do all you can in all circumstances to bring equity, peace and reasonableness into the community; but remember that far above all that rests one thing, and that is national existence, which can rest safe only in an Australia under the British flag."

Mr. JOHNSON (Lang).—Whilst agreeing in the main with the sentiment underlying the motion, I am one of those who do not altogether approve of its wording. It seems to me that it would be wise for us to avoid even the appearance of any desire to interfere with Imperial questions, that is, with a view to dictate Imperial policy. The wording of this motion is, perhaps, open to objection on the ground that it may be capable of some such construction. I propose, in all friendliness, to move an amendment which, perhaps, the leader of the Labour Party may see his way clear to accept, as it expresses practically the same thing, but in language which is less mandatory and dictatorial. I move—

That all the words after the word "House," line 1, be omitted with a view to insert in lieu thereof the following words:—"views with extreme regret the proposal to import Chinese labour into the Transvaal, regarding such a step as prejudicial to the best interests of the Colony."

I think that a motion worded somewhat in that form would be less open to objection, and perhaps would commend itself more to the favorable consideration of the Imperial authorities than would the motion in its present form. I am very greatly in accord with the opinions expressed by the honorable member for North Sydney regarding the use of the referendum in the condition of the Transvaal at the present time. Whilst, of course, I should like to see the Colonies in South Africa enjoying the same measure of self-government that we enjoy, I realize that at the present time, and for some considerable time to come,

it will not be practicable, because time has to be allowed for all the bitterness of feeling arising out of the recent war to die away. I can clearly see that there are great difficulties in the way of giving the population of South Africa the right of self-government for some time to come yet, and this matter is urgent. My amendment does not in any way object to a referendum being taken if it is desired that the will of the people should be ascertained in that or any other manner. It leaves the question quite open, so that the Imperial Government could take the sense of the white population there, either by a referendum or any other effective constitutional means. But whatever the will of the people might be, it would not alter my opinion as to the undesirability of Chinese being imported into the Transvaal. The amendment leaves that aspect of the matter in no doubt, and simply gives the House an opportunity of recording its opinion as to the undesirability of the course proposed. I am fully in sympathy with the principle underlying the motion, because, from familiarizing myself with the history of South Africa, and all the incidents which culminated in the recent war, I know that there has been a great desire on the part of the land monopolists to stretch their clammy digits over the map of South Africa, and with the aid of Australian soldiers, they have succeeded in effectively accomplishing their object. Whilst they were perfectly willing and eager to accept all the aid which Australia could give them in securing to themselves the position which they now occupy, they desire to have all the spoils of victory, and all the opportunities which the spoilation of a country gives, and to exclude those same Australians from any participation in the benefits of the victory which they did so much to achieve.

Mr. FISHER.—An Australian cannot get a position in South Africa.

Mr. JOHNSON.—No. They were glad enough to accept all the aid which Australians could give them at that time, and will be glad enough to get all the aid which Australians can give them at any future time when their interests are jeopardized. But they are now raising a wail against the introduction of Australian or white labour into the Transvaal. Whilst we may resent that kind of treatment, we have to be very careful not to place ourselves in a false position. No language could be too strong to express my own feelings. But we have

to consider the question in its diplomatic character. We do not wish to gain a reputation for presumption and bumptious interference with Imperial affairs. In a dignified, respectful, and perfectly legitimate way—without giving any cause of offence—we can express our opinion as to the undesirability of the proposed measures as they affect the prestige of the white population in any part of the Empire. I take it that, if our opinion is couched in courteous language, it will receive that consideration to which it is entitled. I would ask the leader of the Labour Party to consider the expediency of accepting my amendment, or some other modification of the terms of his motion.

Mr. HUGHES (West Sydney).—The motion submitted by the honorable member for Bland, in a speech that has met with the approval of the Chamber, and the sentiments contained in which have been re-echoed by every speaker, is one of which I can cordially approve. There was some difference of opinion in Australia about the late war in South Africa. The vast majority of Australians, who were heartily in accord with it, were told at that time by those, both here and in England, who were opposed to the war, that it was fostered for the purpose of assisting a ring of capitalists in certain of their designs. Speaking for myself, I can say that I was at the beginning opposed to that war. I was opposed to it while it was what might be termed a little war. I saw no reason why Australia should interfere. When, however, the limits of operations had extended to such an extent as to imperil the stability and even the very existence of the nation, I confess that my opinions changed, and I became a very whole-souled advocate of the cause of the British. I am very loth to believe that the evidence placed before us is irresistible, that what was declared by those who were opposed to the war from beginning to end was only too true. This is the position. Here was a racial war carried on with that determination and tenacity which might be expected to mark a struggle between two such races as the British and the Dutch. That war has left for solution a problem which may well defy the best efforts of the greatest statesmen. There is but one solution, and that is that there shall be attracted to South Africa a resident population of British white subjects. That being admitted to be the case, and every effort being made to secure that end—Mr. Chamberlain

having gone through South Africa in the manner of the consuls of old, pointing out very hopefully, indeed, the signs of eventual settlement—the British Government now lends itself to an ordinance which practically sounds the death-knell of any effort to settle white people upon the lands of the Transvaal. That being so, the situation not only affects the Transvaal itself, but the whole of South Africa. Feeling, from what we can gather, and as has been pointed out by the honorable member for Bland and others, runs very high when the interests of multi-millionaires are in question. These men are, apparently, without scruple, and they have at their command an unlimited amount of wealth. When such men determine to promote a certain phase of feeling, to manufacture public opinion through the press and elsewhere, and to stifle the honest expression of popular conviction at public meetings, those who have had any experience of such things in Australia know, faintly, at any rate, what they can do. It has been asserted that the white population of the Transvaal are not opposed to this measure for the introduction of Chinese labour. Now, my honorable friend, the member for Bland, in his motion says that no effort has been made—indeed no effort can have been made—to discover what the feelings of the white population really are. That can only be ascertained by means of a referendum or by the re-establishment of responsible government. My honorable friend, the member for North Sydney, pointed out that the time for the introduction of responsible government in the Transvaal has not arrived, and that the people are not ready for it. Lord Milner, into whose hands the future destinies of the country seem to have been largely intrusted, has declared that the time is not ripe for it. The motion of my honorable friend suggests an alternative. There is a very wide difference between the re-establishment of responsible government and the taking of a referendum. Responsible government places in the hands of the people the entire control of their own destinies upon all matters. On the other hand, a referendum does not legally enforce anything whatever. It affords, however, an unique opportunity of discovering how the people of a country feel upon a particular subject, unaffected by any other consideration. It has been said that we have no right to

protest or express an opinion as to any method by which this feeling of the people can be discovered. We have every right as citizens of the Empire to protest against any injustice or any wrong. It was never said, at the time of the war, by those who now discover that we have no right to interfere, that we had no right to protest against the action of Cape Colony when the Legislature of that country was in danger of falling into the hands of those who were termed disaffected citizens. It was never said that we had no right to protest in the loudest possible way or to interfere in regard to the affairs of that Legislature. It is not, and never has been, a bar to an Englishman protesting against an injustice or a wrong that he had no legal right to protest, and no means of enforcing his protest. We are committed—many of us think very unhappily—to the fortunes of an Empire, over whose destinies we have absolutely no control, except in so far as concerns this particular corner of it, and so far as protests, which may be made from time to time, may affect the situation. Since, then, we are committed to the destinies of this Empire, and since, undeniably, the introduction of Chinese labour will not only tend towards, but will certainly bring about depopulation and disaster, and will ultimately ruin any prospects of white settlement in the Transvaal, and of the British supremacy in South Africa; and since that, in its turn, will affect us, seeing that we have to take our share of the whole burden of the Empire, and that our share must necessarily be increased when some other part of the Empire is unable to do its part—therefore we have every right at this juncture, as a component part of the Empire, to say that this action of the Legislative Council of the Transvaal is fraught with danger and is a direct refusal to carry out that implied compact which was made when we went to war against the Dutch. There was then undeniably an understanding, expressed or implied, that one of the reasons why we ought to go to war was that the British population of the Transvaal had been denied the franchise. Another reason which was given was that we were going to break up an intolerable oligarchy of the Boers—a people narrow in their views, ignorant, unlettered, and fired with that intolerant racial pride that has always marked the Dutch. After an expenditure of thousands of lives and an amount of suffering that one can only contemplate with

feelings of dismay, we now come face to face with the fact that we have but broken down one oligarchy to set up another infinitely more intolerant, infinitely more unscrupulous, and infinitely more dangerous. There were limits set to the Boer oligarchy which their religion fixed for them. They considered themselves to be under the express tutelage of the Almighty. But these men—the multi-millionaires of the Rand—certainly do not take God for their guide in any of their actions. These men were throughout the South African war patriots who prated about the extension of the Empire, and their concern for their fellow British subjects. It is, however, doubtful whether the mine-owners are for the most part Britishers. Their very names are unfamiliar to us, and are not those by which British subjects are usually known. But, these men, if they be indeed Britishers, propose to do so grievous a wrong to their fellow British citizens that nothing which the Boers ever did to them can equal it. They propose to exile them—but not in the manly, honorable way which we have adopted towards undesirable immigrants. The press bade us turn to see the result of excluding white British subjects under contract from this country, and said—“See the effect that this legislation will have upon the capitalists of Great Britain.” These are the capitalists of Great Britain! These are the men before whom even the American multi-millionaires “pale their ineffectual fires!” The Werner-Beit combination is the richest, except, perhaps, the Rockefeller combination, in the world. And these men, who know neither country nor religion—are the men to whom we were to look, and whom we were told would certainly be affected by finding that six hatters had a difficulty in entering this country! These men now propose to say to British subjects, not in a fair and honorable way: “You must not come here,” but, “You may come out, but if you do you will be reduced to a depth of penury and distress such as is hardly ever known in England or elsewhere.” They say to the workmen of England: “We have no work for you.” But they will offer the right hand of fellowship, not to British white subjects, nor even to British Chinese subjects—they do not even make the miserable pretence that the Chinamen whom they are to import to the Rand will be drawn from Hong Kong, and will consequently be British subjects—but to any

Chinese labourer whose services they can obtain. They do not care whether their Chinese labourers come from Hong Kong or from Hades, provided they will do their work at a "reasonable rate." And what a rate that is! One has only to consider the wages which the mine-owners are offering to the kaffirs to realize what chance there is for white labourers to secure employment there. All the more honour to the kaffir for refusing to work on these terms! The mine-owners have exploited the black people in the past. They still have an unlimited field from which to draw labour if fair conditions were offered to the kaffirs. Even the Roman Empire never had an opportunity of exploiting cheap labour to such an extent as is offered to the owners of the mines of the Transvaal. But the kaffir has reached his Nadir and has refused to work for the mere smell of an oil rag—the beggarly pittance which has been offered him. He has come to appreciate some of the joys of Christianity, and some of the benefits of civilization, and declines to permit himself to be further exploited by those unscrupulous men who now control the Rand. There can be no doubt that many of them are men whose actions will not bear inspection; and they are where they are, and they exercise the power that they do, because—and only because—they possess almost limitless wealth and almost limitless power. I have here a copy of the *South African News*, dated 21st December, 1903. It shows that the greatest meeting ever held in Cape Town was held to protest against the introduction of coloured labour. That meeting was disturbed by men who were notoriously and visibly led by one of the best known stockbrokers in Cape Town. Can any one doubt, for a moment, that those men who cried down indifferently the speakers of the Africander Bond, and the Progressivists, were well paid by those whose interests were at stake? They did their work well. I have here a list which seems incredible, but which shows that the profits of the South African mines run from 1,902½ per cent. down to a paltry 165 per cent. For such profits as these the millionaires of South Africa will dare all things. They seek to delay the granting of responsible government, because it is known that, as soon as the franchise is extended to the people who have been attracted from Great Britain, and who have imbibed with their mother's milk sentiments of freedom, all hope of introducing Chinese labour will be

at an end. The reign of the mining magnates will be over if responsible government is granted to South Africa, unaffected by the leprous curse it is proposed to introduce. But if Chinese labour be once introduced irreparable injury to the State and to the Empire will be done. For an ordinary Act of Parliament, which may be disproved, there is a remedy in due course, but the effect of this Ordinance will be to sweep from the Transvaal all white men who are willing to work in the mines. Once they are gone, to whom will the franchise be extended? Undoubtedly the franchise will be extended to a class of men who then would be, if they are not now, vitally interested in the success of the damnable conditions which it is sought to introduce. If once the introduction of Chinese is allowed, the subsequent granting of responsible government will be ineffective. What guarantee is there that the franchise, then granted, will not be narrower in its scope than that under the Boer régime? At any rate we have the assurance that those interested in the introduction of Chinese labour would not willingly enfranchise one white miner, and if the franchise is at first restricted by a property or other qualification, confining it to that section of the community who hope to benefit from the Ordinance, it will never be extended without recourse to the arbitrament of arms. According to the honorable member for North Sydney, we have no right to interfere unless we are prepared to again go to war. For my part, speaking as far as I am able on behalf of my constituents, I will never cast a vote for the despatch of another Australian contingent to take part in a war if such an Ordinance as that now proposed be carried into effect. Are we to believe that the loyalty of those Britishers who were attracted to South Africa by false pretences, and, after having done well for the Empire, have been left starving and hungry, to do their best—and the best is to die—will stand against such a strain? Who under the circumstances could blame the Boers if they rose again? By what argument could the Boer be refuted who pointed out that the Boers, in their time at least, took their stand on the high pedestal of the Bible—that they owned the country by right of prior occupation and possession; but, rightly or wrongly, were driven out and supplanted by men who knew neither God, Christianity, nor country, but whose whole horizon was limited by the extent of their dividends, and whose sole anxiety was, sink or swim (who might, that

they should grow still richer? If it be said that we are again ready to fight in such a cause, I declare that, so far as I am concerned, it is not true. We are ready to fight in a good cause, no matter in what part of the Empire. But it must not be in the cause of chicanery and bribery—corruption and rottenness reeking out of every pore of those interested. The honorable member for Lang seeks to modify the language of the motion, but that language I regard as mildness itself. Is a democracy such as this to choose its words like a lady in a boarding-school, and talk with the accent of “prunes and prisms”? Is the language insulting, or such as we cannot legitimately use? May we not say that the Transvaal white population ought to have an opportunity of declaring whether or not they will have Chinese in their midst? Can it be said that we are going too far? Our regret is that, unhappily, we are unable to go further, and I regard the motion as embodying a fair and moderate protest. We ask that the people of South Africa, not in the face of intimidation or overawed by threats, nor cajoled by bribery and corruption, may have an opportunity of fairly and honestly expressing their opinion as to the wisdom of this great and irrevocable change. I do not think we are asking too much. Whose tender susceptibilities shall we offend? I do not think we shall offend the susceptibilities of Great Britain, because, as has been pointed out, the proposal to introduce Chinese into the Transvaal narrowly escaped defeat in the British Parliament, in spite of the cracking of the party whip. It is almost impossible to put ourselves in the position of the provincialist of England, who sees and knows nothing beyond his immediate horizon—whose every thought is bound by the petty parochialism of his own petty town or village. It is difficult for such a provincialist to understand the meaning of the presence of all these Chinese in South Africa. But we who are largely cosmopolitan, by virtue of our birth and surroundings, understand only too well the meaning of the proposal. We have decided to admit no aliens into this country; and, after our past experience, who is better able to express an opinion on such a question? But, if a vote were taken there to-day, it would be found that England is awakening from its fatal apathy. The East End of London is crowded with aliens who work for remuneration nearly as low as that of Chinamen;

Mr. Hughes.

and I believe that a vote would show a handsome majority against the introduction of more. Why did the people of England go to war with the Boers? Was it in order that the capitalists of the Rand might make huge profits out of their mines? Or was it in order that the Empire might be strengthened by the unity of the three provinces of South Africa? Was the object not to plant the standard of the Empire still further into the hinterland of that great continent? That was the alleged object of the war, but the real object, apparently, was that our own fellow subjects—our own kith and kin—should be denied an opportunity to work even at kaffir wages, and have their places taken by alien Chinamen. To my mind, not one sound reason can be urged in favour of the Ordinance, while hundreds of reasons may be, and have been, urged against its being carried into effect. In those parts of South Africa where thought is free, at any rate in Cape Colony, overwhelming majorities have declared against the proposal; and in England, wherever public meetings have been held, there have been similar decisions. It is true that the British Parliament, affected, of course, by party considerations, decided by a narrow majority in favour of the Ordinance. But the British Government have learned from the closeness of the division that it is best to put off the evil day; and under cover of endeavouring to discover from the Chinese Government under what conditions the Chinese will be allowed to emigrate, the Ordinance has not been put into effect. While yet there is time during which our protest may be of advantage, let it go forth that both Houses of the Commonwealth Parliament unanimously believe that no Chinese should be allowed in South Africa until after full opportunity has been given to the people of the Transvaal to express an opinion. The honorable member for Lang contends that the language of the motion should be milder and more diplomatic—that we should not be bumptious in our interference. In my opinion, there is nothing of bumptiousness about the motion. No circumstances could demand a clearer and more emphatic protest, and no protest could be less emphatic consistently with democracy than that proposed. The motion is purposely worded to set forth in clear and unmistakable terms what course we think should be taken, and the protest is from a country which took part in the great struggle in South Africa, and which has, we believe, successfully

dealt with its own alien problem. The protest appeals to the Government of the Empire, with whose destinies we are irrevocably bound up, to stay their hand while there is yet time, and to make South Africa a land, not for the Chinaman, but for the white man.

Mr. LONSDALE (New England).—I am in accord with all that has been said in favour of the motion. My own feeling is that the protest is not strong enough; that instead of being refined down, the phraseology requires more emphasis. Remember that we are concerned, not with a local but with an Imperial question. If we interfere, we must, as the honorable member for Richmond pointed out, accept the responsibility of doing so on Imperial lines. As a part of the Empire we have a right, when there are proposals which we think may be injurious to that Empire, to express our opinions to the British Government. I quite realize that it would be impertinent for us to interfere in local affairs in the Transvaal; but, as that is a Crown Colony without responsible government, the matter can fairly be considered by us from the stand-point of Imperial interest. I am against the introduction of indentured Chinese labour into any part of the British dominions. The fight in South Africa was for Imperial extension and supremacy, the intention being to establish there a British population. Now, however, after a great expenditure of blood and treasure, a course is proposed which will have the effect of establishing a Chinese population to the exclusion of white labour. If the Ordinance be carried into effect, the Transvaal in the end will become not a British Colony but a Chinese Colony. Although in this connexion I am not altogether in favour of the kind of legislation which has been passed by the Commonwealth Parliament, I am opposed to the indenturing of any Asiatic races within our territory. I am not sure, however, that such races are not being brought here under contract to-day, because I had the admission of planters in the north, when I was there some two years ago, that Japanese labour was being utilized. They said they were indenturing Japanese for work in Northern Queensland, and were paying them at a lower rate, or at about the same rate as they paid the kanakas.

Mr. GROOM.—Those men were introduced under the treaty existing at the time with Japan.

Mr. LONSDALE.—I am referring merely to the fact that they were being so introduced, and whether England or Japan were offended, I should do what I could to prevent the introduction of labour of that kind. This is entirely a question of gain. There can be no doubt that these capitalists desire to exploit the mines at the very smallest cost and with the very highest advantage to themselves. They have no other idea or thought. It is purely a question of greed with them as to how much they can make, and they care not what becomes of the Empire, or of anything else, so long as they can enrich themselves. I realize that a British population is needed in the Transvaal, and that we should adopt every course that will tend to establish there men and women of our own race. We should also adopt every course that is fair and right to prevent an inferior race from being forced upon the people of that Colony. Dr. Jameson, the Premier of Cape Colony, has, on behalf of the people of that country, entered a strong protest against the introduction of these inferior races. He was the lieutenant of the late Cecil Rhodes, who has often been placed in the same category as the great capitalists who are now seeking to bring Chinese labour into the Transvaal. But, having read his life, my own impression is that, if he were living to-day, there would be no stronger opponent of the introduction of Chinese to the Rand than the same Cecil Rhodes. If there was one thing which characterized that man more than another, it was his British spirit and his determination that South Africa should be peopled by men and women of the British race. In all he did he had that one idea before him. When he saw that the conditions under which people lived in the more thickly-populated parts of Great Britain, rendered impossible the development of the stalwart Britisher who might be reared in South Africa, the one great thought in his mind was to make of the uplands of Africa a new Britain, a place where the race might expand and find room for development. Honorable members may view his actions as they please. I know there are those who have looked upon him as the man who was really behind all these things. I speak of him not because I knew him, but because I believe I have obtained some insight into his real character and aspirations. He was a man who sought wealth, but not for himself. Honorable members are aware from

their knowledge of the terms of his will how he sought to bring the Anglo-Saxon races together. He did not despise wealth as some of us do, or pretend to do—because I do not think many of us really despise it, or would object to be millionaires. I know there is a tendency to look upon the maker of money as a person of inferior character, and what I desire to say is that, whilst Cecil Rhodes sought wealth, his idea was to use it for the purpose of securing the hinterland of South Africa, and peopling it with British subjects. He took a foremost hand in the consolidation of the De Beers mine, and, consulting with others in seeking to accomplish that consolidation, the one thing about which he fought longest was that there should be included in the constitution of the consolidation a provision that he should be permitted to use £500,000 of their money for the purpose of extending British influence and power in South Africa. He accomplished his purpose in that, and in so doing largely extended the influence of the British race in that country. I say at once that I do not think the motion proposed by the honorable member for Bland is strong enough. I have drafted an amendment which, though it is not as strongly worded as I should like, is more emphatic than the one proposed by the honorable member for Lang. I do not say that I shall move it, because to do so might be to elicit differences of opinion, and what I chiefly desire is that we should be unanimous in this matter. The motion submitted by the honorable member for Bland is silent on the point, but I presume that if carried it will be communicated to the British Government, and I desire that there shall go from this House the expression of an unanimous opinion representing the views of the Australian people.

Mr. WATSON.—From both Houses.

Mr. LONSDALE.—Yes, I desire that the opinion of Parliament shall be given expression to unanimously. I prefer to accept the motion as it stands, rather than that there should be any division or any difference of opinion expressed. If I were assured that it would be accepted without a division I should prefer that the motion take the following form:—

That this House records its opinion that the proposed introduction of indentured Chinese labour into the Transvaal is fraught with peril to the Empire, and sincerely hopes it will not be carried into effect.

Whilst there is nothing dictatorial in that—and I should make the motion stronger but

for that consideration—I think it would be a better amendment of the original motion than that which has been moved by the honorable member for Lang. I should like to say that, so far as the suggested referendum is concerned, I do not believe that a true expression of public opinion can always be secured by that means. I doubt whether under existing conditions it would be possible to get the true opinion of the people of the Transvaal if a referendum upon this question were taken there. I am not sure that by means of their wealth certain persons in the Colony would not be able to carry a referendum in favour of the proposal. I take up the position that we are against the introduction of Chinese into the Transvaal, even though a referendum should be carried in favour of it. I am against it, because it is a danger to the Empire and to the British people, and will prevent us from using that land as we might use it, for the expansion of our own race. I am unable to move an amendment until that which is already before the Chair is disposed of; but if the honorable member for Bland could see his way to accept the motion in the form I suggest, I should be very pleased. I have made these remarks because I am essentially a Britisher. I was in favour of the Transvaal war, not for the purpose of helping capitalists to exploit the country and crush down our own people, but because I believed we might use the country for the expansion of the British race. I have given my reasons in support of the object of the motion, and I still think that the form I suggest, being stronger, would be better than the amendment proposed by the honorable member for Lang.

Mr. KINGSTON (Adelaide).—I shall have much pleasure in recording my vote in favour of the motion. I do trust that when we are all desirous of speaking unanimously on this question we shall not split upon little matters in regard to the form of the motion.

Mr. BROWN.—The Parliament can only speak unanimously by adopting the motion moved by the honorable member for Bland, because a motion in that form has been adopted by the Senate.

Mr. KINGSTON.—That is so. I believe the other branch of the Legislature has already accepted unanimously a motion in the terms of that proposed by the honorable member for Bland. Although I do not mind confessing that I have some little sympathy with the suggestion to make it

a little stronger, I am of opinion that unanimity should not be sacrificed for the minor consideration of mere form. Setting an example in sinking my own views as to the matter of form, I trust that every honorable member will do likewise, knowing that an unanimous expression of opinion on the subject, without any division as to form, is bound to carry much greater weight than if we were to dissipate our forces and minimise our influence by dividing upon a question of the strength of verbal expression. I venture to think that the subject now engaging our attention is one of the utmost importance. It has been engaging considerable attention elsewhere, and by to-day's cables we see that the action of the Imperial Government in this connexion is likely to form the subject of a no-confidence debate at the instance of the leader of the Opposition in the House of Commons. If we do feel strongly upon this subject as a people, we ought not to exhibit any chariness in expressing our views. There is hardly a motion to which I ever gave my adherence with greater pleasure than that upon which I hope to be able to record my vote to-day. I should like here to say that I congratulate the Government upon the action they have taken in the matter. It has been said that they should be blamed for not getting in before the Premier of New Zealand, Mr. Seddon. All I can say is that, as regards matters of Australasian concern, I hope there will be no paltry rivalry between the States. I venture to say that Mr. Seddon commands the entire respect of the Australasian democracy, and to follow him is nothing to be ashamed of. He is a leader behind whom any Australian democrat might be proud, indeed, to march. We know that of late years in Australasian history he has time and again led the van, and in a way which we all have reason to be proud of. I say all honour to him for the work he has accomplished, and in which he has taken the lead.

Mr. CONROY.—He has often gone backwards, and called it progress.

Mr. KINGSTON.—I do not think anything of the sort. I say that the career of Mr. Seddon is a glorious one in the records of Australasian democracy, and I again say all honor to him. It is a happy day when we find both the Government of the Commonwealth and the Government of New Zealand co-operating in the way in which they are now doing upon a subject which

demand the best attention of the Australasian democracy. We are all familiar with the history of the South African war, and the part which New Zealand and Australia were permitted to take in it. We did what we could, and we did what we should have done. We took part in that war for the honour and glory of the old country, and on the suggestion that it was necessary for the further liberty and enfranchisement of white men in South Africa. We never for a moment dreamt that the result of any hostilities to which we might become parties would be, not the enfranchisement of white men, but their further degradation.

Mr. THOMAS.—“My country, right or wrong.” According to that doctrine, we ought to have fought in any case, England having declared war.

Mr. KINGSTON.—I hold that view. May my country ever be in the right; but my country, right or wrong! Under circumstances such as those at the commencement of that war, for us to have adopted any other course would have been a meanness of which no Australian could be capable.

Mr. THOMAS.—Even if we had known that the authorities were going to import Chinamen?

Mr. KINGSTON.—If we had known that the result of the war was to be, not the enfranchisement of the white Uitlander—it might be, of the Australian-born residing in South Africa—but his further deprivation of power, and his practical expulsion from the country, through his being denied an opportunity to earn his daily bread there, I venture to think that there are many who would have rightly held the responsible authorities to a policy for the encouragement of the enterprise of white people, before Australian blood was shed, and Australian treasure spent in upholding the name of the Empire in South Africa. To give a preference to an alien over a British subject, to substitute Chinamen for white British workers, and to deny the latter opportunities for employment, is inimical to the best interests of the Empire. Something has been said about this being an Imperial question, and it being necessary, therefore, that we should be careful about expressing our views upon it. If it be an Imperial question, let us treat it as such. As an Imperial question, every part of the Empire is concerned in it, and Australia has a right to speak, and to continue to speak

as she has commenced, in protest against this indignity to her people, for the benefit of capitalists who care nought except for the profit that they may make out of their enterprises, and of Chinese whose views are foreign to our hopes of British supremacy, and of British honour and glory. We are familiar with the history of the South African war. I recollect the first telegram that was sent from Australia when, provoked by a message from a foreign potentate to Kruger on the failure of the Jameson raid, expression was given, through the usual channel, to the Australian hope that Great Britain would do whatever was necessary to maintain her honour and dignity, and to the promise that she could rely with confidence upon Australian sympathy and support. I think that that telegram was properly sent, and that our action afterwards followed consistently. Australia has no reason to be ashamed of her part and concern in the hostilities which took place, but she has deep and grievous cause to be disappointed at the Imperial reception of proposals which can have but one effect. To prefer, for the sake of private greed, Chinese aliens to white British subjects means the loss of the realization of the hopes rightly entertained by the members of the Empire, that those who assisted the mother country, the people of Australia among them, would not be given practically the option to starve in South Africa, or hopeless of work, to leave the place where they should receive preferential consideration. In this country in respect to which Britain has so benevolently expressed herself, even the wages paid to the aboriginal blacks, which are little enough—£4 per month—are to be reduced, and their labour displaced by that of Chinese aliens brought in to take the bread out of their mouths, while people of our own race, seeking for work, are starving in the various ports. Opportunity for employment is being taken from our own people and given to others, who have no claim upon the British Government as members of the Empire; it is being taken from British subjects and given to Chinamen, who own no allegiance to the Crown. What is undoubtedly the proper course in connexion with the South African question? As a guarantee for the future peace of the land, settle it with loyal British subjects, with people to whom the Empire can look for support and defence in time of stress and trouble. Do you tell

me that in such a state of things the Chinaman—introduced under circumstances which make him a slave or a serf in the land, since he is tied down to the confines of a certain block, to work there for a certain time, and restricted from going beyond a distance of, I think, a mile, afterwards to be sent home again—guarantees a loyal resident population ready to support the British flag should the occasion again arise? Nothing of the sort. It seems to me that the thing is intolerable. I feel that, if this attempt to introduce Chinese is persisted in to a successful consummation, there will be a residue of bitterness in the minds of those who know and reflect upon the circumstances. They will come to the conclusion that, however much Britain appreciates the assistance of her sons in time of need, she forgets in the piping times of peace the preference due to those who help her, as Australians have helped her in South Africa, and turns to Chinese aliens, who have no claim upon her, to men who will never give her loyal allegiance, and are incapable of rendering that assistance which she has received in the past from her sons, and will obtain again in time of need. It is difficult to ascertain the precise particulars of the position, but I have had placed in my hands extracts from articles appearing in the *Launceston Examiner* of the 5th March, and the *West Australian* of the 19th February. I acknowledge the kindness of the Government in this matter. In those articles we have particulars from Australians who have been to South Africa, who tell us shortly what the trouble is. It is undoubtedly that, whereas the blacks were getting the magnificent wage of £4 a month, there has been an attempt to reduce it; and as they are not prepared to submit to a reduction, the old dodge of bringing in Chinese is being resorted to. We have a right to speak plainly upon the subject of Chinese labour. Have we not tried it? Has not every State had more or less experience of it? What is the result? The very worst. The standard of civilization introduced has been altogether too low for Australian sentiment, and the Chinese have been legislated against by every State, while further legislation against them has been passed without any real dissent by the Commonwealth Parliament. I do not hesitate to say that the established policy of the Australian Commonwealth is, as was the established policy of every

Australian State before Federation, the exclusion of the Chinese and other undesirable races. I will quote now from the *West Australian* of the 19th February—

Referring to the great labour trouble, the proposed importation of Chinese, Mr. Petersen said it had aroused intense and determined opposition amongst the masses. The position, he said, is this:—"Very few of the mines have resumed operations since the war, and those which have started are working short-handed. In the past the owners have employed hordes of blacks, who were paid £4 per month each, and were housed in compounds and supplied with rations, that is, mealies. The employers wished to cut down the monthly wage, but the independent blacks objected."

We know that the desire to procure labour as cheaply as possible frequently results in attempted reductions of wages, and here we have the cause of the trouble in South Africa. Mr. Petersen continues—

As a matter of fact, there is little necessity for them to work, for in their villages they can grow sufficient maize to keep them supplied with food. Finding that their proposed economy was not well received, the owners asserted that they could not secure sufficient black labour to keep the mines going, and so the importation of Chinese was mooted. The scheme drawn up provided for the importation of an initial batch of 10,000 Chinamen to be housed in compounds further than a mile from which they were not to stray. The wage to be paid was £3 17s. 6d. per month, and at the end of the contract they were to be re-shipped home.

Now think of it, £3 17s. 6d. a month—£46 10s. per annum.

Mr. CAMERON.—Are the men supplied with food as well?

Mr. KINGSTON.—Yes.

Mr. CAMERON.—Then what is the difference between their case and that of the English sailor, who receives practically the same wage?

Mr. KINGSTON.—Does the honorable member contend that there should be an uniform wage of £3 17s. 6d. per month?

Mr. CAMERON.—I am merely asking what is the difference between the wages proposed and those now paid to British seamen?

Mr. KINGSTON.—The rates paid to British seamen differ a great deal. In some cases the wages are very low, whilst in others, on Australian ships, for instance—

Mr. CAMERON.—I am not speaking of Australian ships, but of those which sail from the ports of the United Kingdom. The right honorable and learned gentleman is ridiculing £4 a month as a wage, whilst, as a matter of fact, English sailors receive only about that rate of pay.

Mr. KINGSTON.—Then they ought to get more.

Mr. CAMERON.—That is only the right honorable gentleman's opinion.

Mr. KINGSTON.—I can only express my opinion. I hope that I do not attempt to express other people's opinions.

Mr. WATSON.—The wages paid to the natives in the gold mines in the Transvaal are 42s., and not £4 per month. I have the authority of the Johannesburg Chamber of Mines for that.

Mr. KINGSTON.—Mr. Petersen's statement continues as follows:—

The publication of the scheme gave birth immediately to the bitterest, well-deserved opposition. The labour organizations fought it tooth and nail; the huge masses of unemployed asked where they came in, and were told that the mines could only be run with cheaper labour than they could supply, and the affrighted public was up in arms. The three Johannesburg papers were unanimous in condemning it, and joined in asserting that once the Chinamen came into the country they would never be repatriated, but would eventually overrun the other industries. The press opposition ended suddenly, however, and after three editors had resigned rather than change their convictions on the subject, the erstwhile newspaper opponents of the scheme became its warmest supporters. At about the same time Mr. Creswell, the manager of the Village Main Reef Gold Mining Company, spoke out in opposition to the importation of Chinese. He informed the Native Labour Commission that the mine-owners were opposed to the employment of white labour for political reasons, and wrote home to the Board of Directors for permission to make a trial of white labour for surface work. He received a reply from the Chairman of Directors, and, on giving it to the labour organization for publication, he was dismissed. The letter was published in pamphlet form, and the following is taken from it:—"I (the Chairman of Directors) have consulted the Consolidated Gold-fields people, and one of the members of the Board of the Village Main Reef has consulted Messrs. Wernher, Beit, and Co., and the feeling seems to be one of fear that if a large number of white men are employed on the Rand, the same troubles will arise as are now prevalent in the Australian Colonies, i.e., that the combination of the labouring classes will become so strong as to be able to more or less dictate, not only on questions of wages, but also on political questions, by the power of their votes when a representative government is established." This, continued Mr. Petersen, seems to explain the whole difficulty, with, of course, the fact that Chinese labour is so much cheaper than white labour. The capitalists are afraid of the men eventually forming unions and organizing to protect themselves. It certainly explains the enmity shown towards Australians. Since landing, I have gathered that the general opinion here is that Australians are condemned on account of their excesses in the South African war. That is not correct. Of course the Australians were guilty of excesses—

I think that remains to be proved—

but so were the other troops. The Dutch people I came in contact with expressed admiration for the sterling qualities of the average Australian—his bushmanship, bravery, and hardihood. I have often heard it said that Australians generally would not be condemned for the larrikinism of individuals, and if there was any resentment harbored, it would be shown as much towards Canadians and Englishmen as Australians. The cause of the difficulty is that Australians, after settling down, would seek to assert their civil rights, and, as they have a name for being agitators and considerable dabblers in politics, the employers fear them and the power they would wield. Unfortunately, there is every prospect of the intentions of the mine-owners being carried out. With a population of Chinese workers, the outlook of South Africa seems very dark indeed.

Similar impressions which were made upon a Tasmanian, Mr. Harry Goodluck, who recently returned from a visit to South Africa, are recorded in the *Launceston Examiner* of 5th March last. It seems to me that the position is this. We are debating an Imperial question, in which we are interested as members of the Empire. Further, by the part we took in the South African war, we showed that we considered that the matter was one of Imperial concern. To-day we hear little or nothing of that which was talked of so much at the time of the commencement of the war, namely, the enfranchisement of the Uitlanders. But this petition is presented for our consideration. Numbers of Australians and numbers of other British subjects are in South Africa, desirous to obtain work and unable to find it. How is this? An attempt is being made to supply what is declared to be the want of the mine-owners in respect to labour. To whom is the opportunity to be given? Can it be credited that the proposals sought to be enforced are these? No work for the Australian or other Britisher. He has little chance now; but his case is to be aggravated, and he is to be denied the opportunity to obtain work at a fair wage, in order to make way, not for British subjects, but for aliens who have proved themselves to be undesirable residents in a country such as this, whose customs generally are not likely to lead to the permanent development of British resources or to the security of British supremacy—men who own no allegiance to the British Crown, and who are neither by nature nor disposition able or willing to render it adequate support in time of need. I say that it will be a calamity if such a purpose is effected. Disappointment and bitterness are aroused

Mr. Kingston.

in many ways, and most of all by ingratitude. Are we to permit Australian services—to be rendered again as freely, I hope, in time of need—to be forgotten? Shall we sit silent here and make no protest? I thank the Government for what they have done, and I am glad, indeed, to find that we are fortunate enough in this matter to have the co-operation of the great Colony of New Zealand. I am glad that the motion has been moved, because I think that we should tender the Government our hearty approval of their every word and action. I hope that to-day will not pass before the agreement of both Houses of the Commonwealth Parliament on this subject has been completed and flashed to the four corners of the earth, so that there can be no room for doubt about Australian sentiment. There may be a dispute about the matter of form, but not as to our sentiment. Our hearts are warm, and the only constitutional way that is open to us is to give expression by the passing of this resolution to the sentiments which animate us, and which come from the bottom of our hearts. So may the world learn that Australia speaks with no two voices on this subject, but with one outburst of approval of the action of the Government.

Mr. CONROY (Werriwa).—I think it is when we come to deal with questions of this character that we are led to appreciate the consideration which English statesmen have always exhibited towards expressions of opinion by politicians in the various Colonies. There is no doubt that if the Imperial authorities answered us according to our folly their replies would be very severe indeed. Nothing commands my admiration of those English statesmen, who for so many years have been connected with the affairs of these States, more than the uniform courtesy and considerateness which they have evinced in all their official communications, quite regardless of the tone in which our representations to them have been couched. Probably they are conscious that in the Colonies men have not an opportunity to learn what diplomatic language really is, and consequently make some allowance for the fact that men here are unable to express their views with that temperateness which, in diplomatic circles, is considered absolutely necessary. I entirely disagree with the view which is entertained by a majority of honorable members, that we ought to raise an objection to what is taking place in another part of the Empire. At the same time I must say that the tone

of the Prime Minister's despatch showed a better acquaintance with the language that is both necessary and usual in the diplomatic world, than is evidenced in the motion which is now proposed. The former was couched in language to which, provided we admit that interference is justifiable no offence could be taken; the latter employs terms, which, though very definite, are, in my opinion, equally offensive. We ought to remember that, whilst expressing ourselves strongly upon any matter, we should not put forward our views in as aggressive a way as we probably should in ordinary conversation. When we place upon record, as we seek to do to-day, language such as this motion contains, we are trespassing far beyond our province. In the first place we have been told that this is an Imperial question, and arguments have been advanced to justify our action upon that ground. We have been assured that the introduction of Chinese into the Transvaal is an entirely new departure—in other words, that there are no Chinese in the British Empire. What a ludicrous supposition! And what a want of knowledge such a statement betrays upon the part of those who advance it! I was very much surprised to hear the right honorable member for Adelaide discussing this question as one of wages, as if we are called upon to interfere in a matter of that sort. If it be merely a question of wages that is involved, where is the warrant for our interference upon grounds of Imperialism? To interfere in outside affairs because a certain wage is not paid in this or that portion of the Empire is to get away entirely from the Imperial idea.

Mr. WATSON.—That ground has not been advanced.

Mr. CONROY.—The right honorable member for Adelaide advanced it, and the honorable member for Bland himself treated us to a good many quotations and figures bearing upon the rate of wages paid in the Transvaal.

Mr. WATSON.—Merely with a view to proving that white labour can be profitably employed there.

Mr. CONROY.—The grounds of his objection prove that the question is essentially a local one; so much so that he urged we should wait until a referendum of the white population of that Colony had been taken upon it, or until responsible government had been granted to it. I presume, therefore, that the whole of

his objections will disappear the moment either of these propositions is assented to. How can this possibly be an Imperial question if it can be treated in that way? The number of Chinese scattered throughout the British Empire is now very large indeed, and apparently we are to protest merely because there is a transference of some of them from one part of that Empire to another. For aught that we know to the contrary, the labourers whom it is proposed to introduce into South Africa may be British subjects, who will be transported from Singapore or Hong Kong.

Mr. FOWLER.—Is the honorable and learned member in favour of Chinese-British subjects entering Australia?

Mr. CONROY.—That is a local question, upon which we have a perfect right to express our opinion, and we have done so very emphatically. I hold that we have no title to voice our views upon a matter which is altogether outside our jurisdiction, and I intend to submit an amendment to that effect. To my mind, every one of the grounds which have been urged in support of the motion show that the question involved is purely a local one. The honorable member for Bland declares that his opposition to the proposed influx of Chinese into South Africa will disappear when a referendum has been taken upon the subject, or responsible government has been granted.

Mr. WATSON.—I stated that my opposition would not disappear then, but that I would not be justified in urging my objection.

Mr. CONROY.—I consider that there is only one stand-point from which we can regard this as an Imperial question, and that concerns the Chinese as much as it does ourselves.

Mr. WATSON.—Oh, no.

Mr. CONROY.—Yes. I say that the introduction of Chinese in any compound in this way is merely a form of modified slavery, and whilst it is allowed to continue it is a menace to the Empire itself. The people who are directly interested in this matter have not declared that it is modified slavery.

Mr. WATSON.—They have not yet had an opportunity of saying anything.

Mr. CONROY.—We are attempting to deal with the question without having a full knowledge of the local circumstances. Of course, if a strong Chinese Government were in power, we might approach them

by pointing out that it is undesirable that a large number of Chinese should enter into contracts which seem, to us, to be forms of modified slavery. But the honorable member for Bland did not urge any such objection. He dealt with the matter as if it were one affecting wages only.

Mr. WATSON.—That is utterly foreign to anything that I said.

Mr. CONROY.—If that be so, the honorable member must omit from his motion the words—

Until a referendum of the white population of the Colony has been taken on the subject, or responsible government is granted.

Again, I should like to ask what our feelings would have been if Great Britain, through its Parliament, had forwarded any protest to us with reference to the deportation of kanakas? I can readily picture the manner in which many of the supporters of this motion would have received it. Yet it is just as competent for other parts of the Empire to interfere in our affairs, as it is for us to interfere in theirs. I should like to ask what reception would have been given to any message from the Imperial Government, protesting against the legislation enacted by Queensland in reference to the recruiting of Pacific islanders for the sugar industry?

Mr. FISHER.—The Imperial Government stopped recruiting in the islands.

Mr. CONROY.—Can the supporters of this motion assure me that they would have quietly accepted a communication from the Imperial Government couched in the same language? No. They would immediately have exclaimed—"How offensive it is in tone. What has England to do with the matter? We are quite competent to judge of our local conditions, and we resent interference from outside." I hold that we should not interfere in a matter of this sort. It is, as we know, customary for missionaries to travel round the world preaching the gospel of peace and goodwill, but now it seems that some of my honorable friends desire to preach the doctrine of aggressiveness and interference. If we are to go outside our own affairs, let us employ the language of men who are powerless to enforce our opinions. Otherwise, our communication will represent mere words from an empty stomach—bombast—and there is too much bombast displayed by us. Indeed, it is characteristic of all young nations that when they endeavour to express dissent, they use language which, if

employed between two great powers, would probably result in war. If there is a diplomatic vocabulary—as there undoubtedly is—ought not this House to appoint one or two of its members to become acquainted with it? If our protest were expressed in polite terms it would be none the less clear and distinct. It appears to me that considerations of courtesy are entirely set aside by the form in which the motion is presented to us. I feel that the arguments adduced in support of the motion are the best proofs that honorable members are endeavouring to deal with it, not from an Imperial, but from a purely local stand-point. We have throughout had references to the wages paid in the Transvaal, and to the displacement of white men by Chinese. There are 250,000 whites there, as against 750,000 blacks, and we are asked to enter into a racial question and to determine, from an ethnological point of view, whether Chinese or negroes are superior. To the surprise of every one possessing any knowledge of ethnology, it is suggested that blacks are preferable to Chinese.

Mr. DAVID THOMSON.—So they are.

Mr. CONROY.—I do not object to the honorable member holding that opinion; but I would advise him not to express it, because he will find that every one who knows anything about the subject will disagree with him.

Mr. SPENCE.—The point is that the blacks own the country, while the Chinese do not.

Mr. CONROY.—I was under the impression that the Rand, into which it is proposed to introduce Chinese labour, was entirely owned by Caucasian races.

Mr. POYNTON.—What about the Jews?

Mr. CONROY.—The Semitic section of the community may own a portion of it, but it is unnecessary for me to deal with that phase of the question. What I wish to know is whether the Labour Party are setting themselves up as champions of the native population. Their arguments would seem to suggest that they are. If the blacks are such a desirable people—if they are so far ahead of Chinese that the mere introduction of the latter into the Transvaal would contaminate them, I presume that honorable members of the Labour Party would allow negro races to come into Australia?

Mr. SPENCE.—We do not exclude our own aboriginal races.

Mr. CONROY.—We shall see how the Labour Party regard this matter when the Bill relating to the administration of New

Guinea comes before us. One of the arguments that I used against the taking over of New Guinea by the Commonwealth was that we might have to deal with a large coloured population there, and I believe that the honorable member for Grampians, who followed me on the occasion in question, expressed the same opinion. I presume, however, that honorable members of the Labour Party have decided that the natives of New Guinea should be allowed to enter Australia.

MR. FOWLER.—We shall permit them to exist in their own country.

MR. CONROY.—Just because it is not politic at present to poison them off?

MR. TUDOR.—Does the honorable and learned member suggest that we should poison them?

MR. CONROY.—I am not in a position to make any suggestion regarding the matter. I am merely criticising the action of the Labour Party. The arguments used in support of this motion have all been to the effect that the Chinese are infinitely inferior to the black races. If I were in the British Parliament I would admit that I cannot imagine how English statesmen could have fallen into such a serious error as has been made. It seems to me that at all costs, even had it been necessary for them to give large subsidies, they should have endeavoured to introduce a large white population into the Transvaal—to permanently settle, and thus to permanently conquer it. At present they have to keep an army of some 21,000 men there. No price would be too high to pay to secure the settlement of a large number of white men and their families in the Transvaal, provided that the country is worth having. But the authorities have entirely departed from that principle, and have fallen into a most grievous error. When I recall to my mind the fact that the man then at the head of affairs is a mere politician rather than a statesman, I am not surprised. In determining whether a man, despite his cleverness and his trickiness or flashiness of style, is a mere politician rather than a statesman, one has always to look at the results of his policy. Judged by that test the very man whom the Government of the Commonwealth are anxious to invite to Australia, the one whom they regard as a distinguished statesman, has lamentably failed. He is the real author of the present trouble. Without his consent and approbation, and in the absence of the class of men appointed by him to

administer the government of the Transvaal, the difficulty could not have happened. Knowing all these facts, however, the Government propose to invite him to Australia, possibly to convert the Labour Party on this very subject. The Government may believe that he is likely to be able to explain all these matters for us, but from the point of view of an English statesman, a fatal mistake has been made. Notwithstanding this opinion, I believe the matter is one in which we have no right to interfere. It is purely a local question. It is simply a question of whether blacks or Chinese shall be allowed to work in the mines. The way in which the question of wages has been discussed by various honorable members shows that they regard it in this light. I was astounded to hear the right honorable member for Adelaide deal with the matter in the same way. In the southern part of Africa there are something like 800,000 whites and some 4,000,000 blacks, and we are asked to enter into the consideration of a racial question. If the Labour Party had objected to the introduction of Chinese on the ground that there should not be any form of slavery in the British dominions, their attitude would have seemed to be more in accordance with the idea of Empire; but even if that were the position, it would be a matter for the people concerned and not for us to determine. The very men who should have the best knowledge of the subject, and who, at all events, give free expression to their opinions upon it, assert that these workers are quite content to go to the Transvaal, and are pleased, indeed, to have the opportunity.

MR. MCCAY.—The honorable and learned member is now arguing the question which he contends we should not deal with.

MR. CONROY.—I admit that I am expressing my opinion upon it, but my point is that, whilst we, as individuals may hold and freely express these views, the matter is not one that should be dealt with by the House itself. It is outside our jurisdiction. We are opening the door to all sorts of interference with the Commonwealth. We may have a somewhat similar resolution passed by the Canadian or the New Zealand Parliament in reference to some action of our own.

MR. SPENCE.—If it is a good one we shall not object to it.

MR. CONROY.—If it dealt with a matter that we considered to be of purely local concern the Labour Party would be the

very first to condemn it in unmeasured terms.

Mr. SPENCE.—But this is not a matter of mere local concern.

Mr. CONROY.—We should not interfere with other parts of the Empire unless we wish to be interfered with. I should be almost pleased if the Home Government, departing for once from that courtesy with which it has always dealt with fussy interferences by different parts of the Empire, gave us a well administered snub. Those who support this motion would richly deserve such a snub; but if it were given we should probably have a motion submitted to the House drawing attention to the language used by the Colonial Office.

Mr. BAMFORD.—And the honorable and learned member would support it.

Mr. CONROY.—It is because I would resent any interference, however well meant, on the part of the British Government, or the Government of any other part of the Empire, in regard to a matter of local concern, that I object to any interference by us.

Mr. SPENCE.—Is not this a matter of national concern?

Mr. CONROY.—It has been treated simply as a matter of wages.

Mr. WATSON.—That is a misstatement of fact.

Mr. CONROY.—Then let us assume that it is a question of Empire. Will the honorable member say that we have a right to declare in what part of the world the 280,000,000 of black races, and the many Chinese now in the Empire shall reside?

Mr. WEBSTER.—But we are now speaking of aliens.

Mr. CONROY.—Then the honorable member would not object to the introduction of Chinese if they were British subjects?

Mr. WEBSTER.—I did not say that.

Mr. CONROY.—Then we are indulging in a mere exchange of words. Surely honorable members consider that we ought not to interfere in a matter of this kind, and that if we do we should at least couch our protest in diplomatic language.

Mr. SPENCE.—In the language of a vigorous nation.

Mr. CONROY.—But the terms of this motion go beyond anything of the kind. Offensiveness is not vigour, and when we have no power to give effect to our desires we must rest content with an expression of our opinion. If a man said to me, outside the House—"I have a very

grave objection to this or that opinion, expressed by you," he would learn that there was a great deal in the way in which he put his objection.

Mr. SPENCE.—If the argument is a good one, it ought to be enforced.

Mr. CONROY.—Quite so; but, if a man came to me and said in a courteous way—"I cannot agree with what you have done; do you think that you have acted in the best interests of all?" I should be prepared to listen to him. Even if we had the strength to enforce our desires, it would be doubly necessary that we should be courteous. I have known men to express their opinions in the strongest terms in this House, and yet to speak very quietly on the same subject when outside. They know that the other side cannot retaliate, and, therefore, in common fairness, they must give the other side a chance to express their opinions.

Mr. MAUGER.—Is not that a mistake?

Mr. CONROY.—To that interjection I would reply—

O, it is excellent

To have a giant's strength, but it is tyrannous
To use it like a giant.

We are interfering with another part of the Empire, but we have not the strength to give effect to our desire. If we had, it would be doubly incumbent upon us to be courteous; otherwise, it might be thought that we were threatening instead of suggesting. We can do no more than offer a suggestion. I submit that the tone of the motion is bad. It is couched in too severe terms. It may express what honorable members individually feel, but it is not couched in proper language. To say that the question of substituting Chinese labour for black is an Imperial question is a ludicrous misstatement of simple facts. We ignore the fact that there are so many Chinese throughout the British Empire, and that it may be British subjects of Chinese or Mongolian extraction who are wanted in the Transvaal. We are not in a proper position to discuss this question; and even if we were in possession of the full facts I consider that it is outside the province of the House, and ought not to be interfered with. Therefore, I propose to ask honorable members to resolve—

That this House is of opinion that it would be impolitic to interfere with matters outside its jurisdiction.

Mr. SPEAKER.—There is an amendment already before the Chair, and until it has been disposed of I cannot accept the

amendment of the honorable and learned member.

Mr. FISHER (Wide Bay).—I am always very glad to hear the honorable member for Werriwa, especially on a question on which his reading has been very wide. I respect his opinion that we should not desire to interfere with Imperial matters, or to dictate or seem to dictate, to even the smallest community that is either self-governing or is governed by the Imperial authorities, through a Council or otherwise. But on this occasion he has not shown his usual acuteness, because I can find no trace of dictation in the motion. No direction is sought to be given to any one to transmit the resolution of the House to any person, nor would any person be authorized to transmit it to any Government, British or otherwise. Therefore, I have been at a loss to understand how it can involve an Imperial question.

Mr. CONROY.—Is it to be merely a resolution "full of sound and fury, and signifying nothing?"

Mr. FISHER.—How can the honorable and learned member say that it will be a barren resolution? If the two Houses of this Parliament, elected on the broadest possible franchise in the British Dominions should, immediately after the elections, pass a resolution on this subject—

Mr. KELLY.—It would be misleading to use the words "immediately after the elections," because this question was not debated at the elections.

Mr. FISHER.—If I were to say that it was debated during the elections, it would be misleading, but it is not misleading to say that the question is being dealt with immediately after a new House has assembled, and that the action of the Transvaal Council, indorsed by the Imperial Government, is one which no considerable body in Australia can indorse in any way. Our experience has been such that we are particularly competent to offer an opinion on the question of employing Chinese on gold-fields, and if such a resolution be passed by each House of this Parliament and recorded in its proceedings, it will undoubtedly help those who believe with us, and I hope, with many others, that the Ordinance will never become operative. Where does the Imperialistic idea come in? The honorable member for Richmond used a very able argument, with which I would quite agree if we were attempting to dictate to the Imperial Government, or to the Government of any British possession. But I hold that

we are not doing so. In passing the motion, we simply convey our opinion to civilized countries, and especially to that large body of people in Great Britain, who will very shortly have an opportunity of electing to a new House of Commons men who will be able to speak with an emphatic voice on this great question. I do not look for much help from the Imperial Government. I doubt whether the best way to appeal to the British public is through the medium of the Cabinet. Why should we appeal to the Imperial Government to undo a thing which they have done? I should strongly object to a resolution of this House being sent to the Imperial Government, as they have advised the King to assent to the Ordinance of the Transvaal Colony. Undoubtedly, His Majesty, following the usual course, would take the advice of his Ministers. The objection of the honorable member for Werriwa ought to disappear when he finds that the motion is not a peremptory direction from this House to the British Government to give further consideration to the Ordinance.

Mr. CONROY.—If it is not to be sent, or made use of, I do not know why we should be discussing it.

Mr. FISHER.—I disagree with the honorable and learned member. I have publicly expressed my opinion that this is the very course which we should take. We have had long and painful experience, and we are bound, at every possible opportunity, to give public expression to our view—which may be useful to British people in other parts of the world—that their action, however conscientious and well-meant, cannot have the good effect which they desire, but will be inimical to themselves and to the best interests of the British race. The expression of that opinion must carry weight.

Mr. SKENE.—Through what channel does the honorable member expect the resolution to reach British people?

Mr. FISHER.—Through that great channel—the press. Undoubtedly the action of the Senate in passing a resolution has spurred on the leader of the Opposition in the Imperial Parliament, and caused him to move a motion of want of confidence in the Government.

Mr. CAMERON.—They are making use of the resolution for party purposes.

Mr. FISHER.—That is inevitable. There is no doubt that every action of this Parliament, every action of each member of this Parliament, has more or less influence on any by-election. But the

honorable member should not seek to restrain our action for fear that it might be useful for political purposes. That would be an erroneous position to take up. I desire to bear my testimony to the ability, refinement, and force which the Prime Minister displayed in his great oration. I am sure that we, each and all of us, desire that the Parliament of this Commonwealth should approach a question of this magnitude in such a way that its leader has no reason to fear a comparison with any other Parliament. I believe that we are all actuated by a desire to sound a note of warning to our fellow-countrymen. The honorable member for Wilmot will agree with me, I think, that the motion has not been brought forward for political reasons only. It cannot be urged that we are simply moving in the interests of a particular party. It was with the greatest regret that I read some time ago that a misrepresentation, wilful or otherwise, has been used by the Transvaal magnates in their endeavour to create a public opinion favorable to the introduction of Chinese. It has been represented that Australia has benefited largely from the development of its gold mines by Chinese labour. No person who knows anything of our mining industry can indorse that statement for a moment.

Mr. POYNTON.—Most of our Chinese are in the benevolent institutions.

Mr. FISHER.—How was it possible for the mine-owners to get evidence placed before the Commission which would enable that body to declare that it was a fact that the Australian mines had been largely developed by Chinese labour, and that they themselves desired some facilities for the development of the Transvaal mines?

Mr. FOWLER.—I do not believe that a single Chinaman has been employed in the mines of Western Australia.

Mr. FISHER.—That remark only proves that not only the people of Great Britain, but the people in the Transvaal, have been misled by a misrepresentation of affairs in Australia.

Mr. JOHNSON.—It is only lately that English people have got a notion of where Australia is on the map.

Mr. FISHER.—The honorable member has suggested a good reason why we should embrace this opportunity of placing before the English people a correction of a misrepresentation, which might otherwise be further used to our disadvantage, and to

the disadvantage of the people in the Transvaal. I am sure that we should all be ashamed to learn that it had been stated in the House of Commons and on the public platforms of Great Britain, that the mines of Australia had been developed by means of Chinese labour. I hope that that misstatement will not be repeated during the coming contest in the old country. I desire to express my extreme regret that in debating questions of this kind we are apt to forget the great principles which were mentioned by the honorable member for Werriwa and the Prime Minister. It seems that we are getting away from the idea of having a free people living in reasonable circumstances and enjoying a fair degree of pleasure and comfort, and are going to consider the bare idea of whether a certain thing will pay or not. If an action can be justified on that ground the greatest injustice which has ever been perpetrated on a people could be justified. It has been claimed by one class that it will not pay to develop the Transvaal mines by highly paid labour, and that, therefore, they should be allowed to bring in a servile class of labour with the mere idea of making money. But that, I submit, is not a justifiable course for any civilized people to take. The destruction of the native race is surely sufficient to induce conscientious British people to intervene, without attempting to bring from another country a class of labourers who are to be penned in and hemmed in, in a worse manner, by means of regulations and enactments, than was done by any Act that was ever passed for controlling the slaves in the United States of America. Can we, as British people, justify a policy like that? Are we not just as much entitled to make a protest against anything of that kind as against real slavery in any part of the British Empire? There are questions that rise above party considerations, and in which we who have entered into the Imperial bond, and who are proud of our freedom-loving British institutions, must take an active interest. This is one of them. I would never be a party to permitting the bringing into a country of any class of human beings for the purpose of yarding them, and prescribing that they shall not be allowed to go beyond the radius of a certain compound. There is no nation in the world that has a greater claim to credit for the emancipation of the slaves than the British. Yet this treatment is to be permitted to be meted out to the Chinese for the purpose

of making a few paltry pounds of profit, not for the benefit of the people who are on the verge of destitution in Great Britain—not for those ten millions in the British Isles who cannot tell whether they will have a decent meal to eat the day after to-morrow—but to increase the wealth and the power and the profit of those who are already living in luxury.

Mr. HUTCHISON.—And foreigners at that.

Mr. FISHER. — Whether they are foreigners or not is nothing to me. The object of this policy is to increase the wealth of people who are wealthy enough already, and who have enough power in Great Britain already—people who have by their acts and their influence on British policy during the past ten years done more to damage the prestige of the British Empire than have those other people who have been charged with that conduct. I do trust that, whatever difficulties we may have in coming to a conclusion upon this matter, the House will not be rent asunder by small amendments. I sympathize more or less with the honorable member for Werriwa in some of his complaints, but I appeal to him and to others to allow this motion to pass without amendment. If that is permitted the motion will have all the greater weight, inasmuch as it will be passed in similar terms to the motion agreed to by the Senate. The honorable member for New England thinks that the language of the motion is not severe enough. Others think that it is too severe. The honorable member for Bland thinks that it is what it ought to be.

Mr. CONROY.—It is not couched in diplomatic language.

Mr. FISHER.—I am glad that the only complaint the honorable and learned member has to make is in reference to the language of the motion. But he will agree with me that it will be more effective if passed in the terms adopted by another Chamber. I have already pointed out that the motion contains no direction that it shall be sent to any one. But it will have weight whether it is sent to the British Government or not. Undoubtedly, any resolution passed by a Legislative Chamber of this character will be telegraphed to every part of the world.

Mr. DEAKIN.—Hear, hear.

Mr. FISHER.—The telegrams will go away this evening. It will not be less effective if it is not telegraphed by the Prime Minister. Besides, I have a distinct

objection to this motion being sent to the Imperial Government. Why not also to the leader of the Opposition in the Imperial Parliament? It is not a party matter. The acting-leader of the Opposition fell into an error in saying that the Government ought to have moved the motion. The Prime Minister was under no obligation to move it.

Mr. DEAKIN.—We put our views on the subject into the Governor-General's Speech; that was our part.

Mr. FISHER. — The Prime Minister has already communicated the views of the Government. The motion will simply be a declaration that this Parliament is unanimously in favour of the views expressed by the Government before the opinion of Parliament was sought. The Prime Minister in his speech last evening clearly proved that he had done everything that the representative of a Government could do prior to having an opportunity to bring the subject before Parliament. I would rather see the motion passed as it stands, and not have it sent by the Prime Minister, because I have a certain amount of respect for communications passing between one self-governing State and another. There are occasions when such communications must take place. That necessity is founded on the good old maxim that there is no rule without the exception. There is another aspect of the question that will, I think, commend itself, not only to this Parliament, but to every elector throughout the country. It is this. The Boer Governments have been suppressed, and the Boer people have been conquered. It is a reflection on ourselves that the more enlightened British Government, which suppressed what I have heard described as a horde of ignorant Boers, should in one of their first acts have done something which the Boers have never even been charged with doing.

Mr. CAMERON.—How long is it since the Queensland Government did the same thing in regard to the kanakas?

Mr. FISHER.—That remark shows how much the honorable member knows about the position of the party to which I belong. We have never for one moment admitted the justice of the introduction of Polynesians to Queensland, and we have never missed an opportunity, whether it paid us or not, to stand up against what we called an iniquitous traffic.

Mr. CAMERON.—But was it not done by the Queensland Government?

Mr. FISHER.—We stopped it as soon as we could. The British Government in 1884 took a very strong, dignified, and proper stand in stopping the recruiting of *kanakas* where it was found that the abuses were of such a character that no British Government ought to allow them to continue. But I must not go into that matter now. I am glad that we are practically unanimous. But I should not like it to be thought that there were not in Australia a certain number of people—mining magnates and others—who approve of the introduction of the Chinese into the Transvaal, and who would not if they could introduce them into Australia. Have honorable members forgotten that some time ago one of the leading mining men in Victoria had a word to say upon this question. We have only to turn to *Hansard* for last session, page 5047, to learn that Mr. Harvey Patterson, the chairman of the Mungana (Chillagoe) Mining Company, North Queensland, at a meeting of shareholders in Melbourne, as reported in the *Argus* of 15th September, 1903, made the statement contained in the following paragraph:—

Mr. Harvey Patterson, chairman of the Mungana (Chillagoe) Mining Company, North Queensland, echoed the general feeling when he stated at the meeting of shareholders to-day that little progress had been made in developing the different lodes on the property. But Mr. Patterson's hearers were not prepared to find him casting the blame for this on the workers on the field, or to bring up the white labour question. However, this is what he did in the following words:—"I do not say there are not good workers on the field, but, at the same time, there is a large percentage of bad; and until these are superseded no alteration of existing circumstances can accrue. There is no doubt the climate is against the white worker—who is simply a piece of languid animation under tropical sun and heat—and probably he cannot be blamed for being unable to bear the intense heat also in the underground workings, owing to the decomposition of the sulphide matter in the lodes. This portion of Australia could never have been intended for the European, else the climate would have been more suitable and moderate, and while the nonsensical idea of keeping the whole continent of Australia for the white man alone is maintained, this portion, which contains vast wealth in mineral and agricultural lands, will continue to a great extent to waste "its sweetness on the desert air." Had we the same conditions as apply to mining in South Africa with regard to labour, I venture to say a great success would soon be made of our undertaking."

That is the opinion of a mining magnate in this city. I have the acquaintance of many admirable and capable men engaged in business and in the mining community

who hold the same view. This should serve as a warning to the democracy of Australia that they should not rest too secure in the seeming unanimity of the people upon a matter of this kind, but should always be prepared to resist to the uttermost any attempt to inaugurate a policy that would be humiliating to the democracy of Australia, and injurious to any part of the British Empire.

Mr. SPENCE (Darling).—I am rather surprised that there should be any opposition offered to this motion. I had hoped that there would be a unanimous House. But there seems to be some alarm lest Great Britain should take umbrage because we express our honest opinion in regard to the introduction of Chinese to the Transvaal. We have heard a great deal about our right to say anything whatever. I am one of those who have hitherto been proud of belonging to the British race. I want to be in the position of continuing to be proud of it. I recognise, as we all must do, if we are thoughtful students of the social system, the many evils that exist, not only in the United Kingdom herself, but in the various States of the British Empire, which are constantly agitating for the reform of abuses. Yet, comparing the British people with the people of other countries and races, we find a reason for being proud of the British Empire. But, according to the honorable and learned member for Werriwa, I am to be denied the right, as a unit in that Empire, to express my opinion about proceedings in a part of the Empire for which we have fought. We claim the right, as a self-governing community, to speak to the mother country upon a question of this kind. There is no sense in our connexion with the Empire if we are to be denied that right. I cannot believe that the British Government will be so "touchy" as to quibble and quarrel about the wording of our resolution. They will have regard to the spirit in which it is passed, and will understand what it means. I venture to say that half-a-dozen different honorable members, sitting down in half-a-dozen different rooms to frame a resolution of this kind, would express the same idea in different terms. It is a waste of time to discuss amendments when we desire unanimity. As the other Chamber has passed a resolution similarly worded to the one we are discussing, that is a strong reason for its passing here. We want, if we can, to prevent a mistake being made,

and a degradation taking place, which would result in a lowering of the credit of the race of which we are proud. The fact seems to have been overlooked that of all the nations in the world the British nation has been the most meddlesome—that our readiness to interfere in every part of the world has become, so to speak, our special characteristic. And I see no reason why the British nation should not interfere, when it is actuated by a creditable feeling of indignation at injustice, whether it occur in Armenia or elsewhere? There is no people who possess to a greater degree the capacity for self-government, and it is public spirit which stimulates the indignation of the British race against all injustice, even though we may be told that it is not our business to interfere. We should not have advanced in civilization if that had not been the characteristic policy of the British people. It is the impulse to denounce wrong which leads to the evolution of civilization. I know that honorable members have greatly admired the eloquent address of the Prime Minister; but they seem to have overlooked the reasoning with which the honorable gentleman began when he showed that a change is coming over public opinion in regard to the interference by one portion of the Empire in the affairs of another portion. How otherwise can we hope to have a united Empire? Are we to show resentment if other States pass resolutions in regard to Commonwealth legislation which concerns them? It is denied that this question of Chinese labour in South Africa concerns us; but it is a narrow conservative idea which leaves a threatened evil alone until it becomes overwhelming. I have a high admiration of the outspokenness of the honorable and learned member for Werriwa, and I can quite imagine that had he been at Lambing Flat or at Clunes—I was near the latter—when recourse was had to force in order to prevent the employment of Chinese in the gold-mines, he would have taken a different view from that which he has to-day placed before us. The town was barricaded, the Mayor led the way, and there was a riot in an attempt to carry out the demands of the white miners. According to the honorable and learned member he would have stood aloof, regarding the whole affair as no business of his; but I am afraid that had he been there, he would have been after those Chinese, and had as many pig-tails as did some of the miners. The evolution

spoken of by the Prime Minister is binding the various parts of the Empire closer together, and there should be no readiness to take offence because of an opinion expressed in the way proposed by the honorable member for Bland. In these days of rapid communication, every occurrence in the world concerns us, and that applies with greater force to events within the Empire. The family which co-operates succeeds best, and it is good to see brother at liberty to speak to brother or to parent, and suggest that a proposal made is not to the common good. That is the view I take of the Empire, which ought to be regarded as a united family. One justification for the motion has not yet been laid before honorable members, namely, the necessity to put ourselves right in the eyes of the people of the old country. In the *London Times* of the 16th January the following paragraph appeared:—

Mr. Seddon's protest against the introduction of Chinese labour into the Transvaal is finding no support with the Australian press or public.

There is a foot-note to this paragraph, referring us to page 7 of the same issue, on which there appears a telegram from the Melbourne correspondent of the *Times*, who, if I am not mistaken, is to be found in the *Argus* office. The proprietors of the *Times* have found, however, that their present correspondent is unreliable, and have sent out a special reporter to obtain information. The cable message to which we are referred is dated 15th January, and is as follows:—

Mr. Seddon's protest against the introduction of yellow labour into the Rand is meeting with no support from the Australian press or public. Although Mr. Deakin's reply it not yet known, there is reason to believe that he in no way encourages interference with the outside world.

MR. DEAKIN.—There never was any authority or justification for such a statement as regards myself.

MR. SPENCE.—The new correspondent of the *Times* is in Australia now, so that we may expect correct information to be sent Home. That cable of itself justifies this Parliament in expressing an opinion. Having passed an Address in Reply, containing a paragraph which is being used in Great Britain for party purposes, there should be no hesitation in expressing our views on a matter of such vital interest and importance. I should like honorable members to hear an opinion expressed by the *Church Times*, a high Anglican weekly paper published in London, by people who are, so to

speakers, outsiders, and may be deemed to be impartial. This is not a labour organ expressing any radical or extreme views, but the following appeared in its columns:—

It would seem that the question of importing coloured labour into South Africa is reaching an acute stage. A correspondent of the *Westminster Gazette*, speaks of large numbers of white labourers as ready to resist the landing of Chinese, "if necessary, by force," and adds that civil tumult is in any case likely to arise. To avoid this it is said that, if and when the Chinese are imported, they will be landed at Delagoa Bay, and quietly drafted into the Transvaal through Portuguese territory. If the movement is to be defeated, it must be through the formation of a healthy public opinion. The question for each man to ask himself is, whether the ideal for South Africa is a country in which the labouring class should be free citizens, or one in which slavery is established. Apart from the religious aspect of the matter, important as that is, it ought to be possible to appeal to the colonists of South Africa on the grounds of civilization. To re-establish slavery at this time of the day is hopelessly retrograde and benighted, and those who are now in favour of this abominable proposal would find that they had brought back other evils with a caste-system of servile labour. We hope that it will be resisted, "by force, if necessary." If Chinese labour can only be kept out *vi et armis*, a civil tumult would be a small price at which to purchase a future gain.

Mr. DEAKIN.—Bishop Gore, of Worcester, whom I quoted, is connected with that branch of the Church.

Mr. SPENCE.—And also the Bishop of Bloemfontein. Had I expressed an opinion anything like so strong it would have been said to be characteristic of the Labour Party. Fancy this Church paper talking about resorting to force! The casting of the Chinese out of Australia was commenced by civil tumult, so that there may be some justification for speaking of resorting to force, just as war, rightly or wrongly, is sometimes sought to be justified as necessary. The extract I have read shows that people in high and independent positions recognise the great seriousness of the position. The case has been very clearly put by Mr. John Morley, who is well known as an able man and a great thinker. Mr. Morley, in an address to his constituents, said—

Does it not occur to you what a bitter piece of irony it is that this situation has been brought about by action in which British colonists took a fighting part—British colonists who in their own countries, in Australia and other colonies, will not allow the Chinaman to set his foot? Does not that strike you as rather ironical, that the result of all their efforts has been to set

up a situation in South Africa, that those who helped to set it up would not tolerate for one single moment in their own countries?

That is exactly the position as it seems to us, and I am anxious for the credit of the Empire. Previous to the Boer war, it was stated by many public men, and would have been stated by more, no doubt, but for a desire to stand by the Empire in time of trouble, that the conflict was being brought about in the interest of the South African mine-owners. Subsequent events would seem to clearly prove the soundness of that position. England having secured possession of the Transvaal at a cost of £250,000,000, and about 100,000 lives, is practically handing over the control of the Colony to a band of foreigners. According to the honorable and learned member for Werriwa, we should allow that to be done without saying a word in protest.

Mr. CONROY.—No; I never believed in the war.

Mr. SPENCE.—I am afraid the legal training of the honorable and learned member came to his aid when he endeavoured to justify his position. Great Britain, by her action, is practically admitting that she is less able than Oom Paul to govern the Transvaal. Kruger's mining laws were admitted by mining men to be some of the best in the world; and now it is proposed to hand over the whole of the underground work in connexion with the industry to aliens. I have been connected with mining, and I know that the plea raised for the introduction of Chinese is not new. In a mining country there will always be found ores which will not pay at present cost; and it is in connexion with these mines that there is a demand for cheap labour. The answer to that demand is that such mines ought to be allowed to stand until scientific discovery has found means of treating the ore at a cost which will pay the owners and enable them to give decent wages. Such has been the development of mining in Australia, and it is a healthy development. Having fought for the Transvaal, are we going to hand it over to foreign millionaires, in order to satisfy their greed by allowing them to extract all the gold in a few years? What benefit or sense is there in such a policy? I receive communications from friends in South Africa, who say that the conditions there now are most disgraceful; and those conditions have been deliberately produced by the mining magnates. The honorable member for

Kooyong will agree with me that, while we have straightforward, honest investors and others in control of mines, we have also "sharks," who care for nothing except what they can grab out of other people's pockets and put into their own. Those are not the men who do most for mining development. It is the *bona fide* investor whom we should encourage. I remember that some years ago the late Chief Justice Higinbotham laid down a principle that should be borne in mind. He stated that the reason the Crown grants a lease to a mining company is because they agree to employ labour, and not merely because they agree to pay rent. The British Empire, in taking control of the Transvaal, should see that that country is developed in the best way, and that the best conditions are set up by the Government. It should be the concern of the authorities of the Empire to see that the wealth of that country is not taken out of it as fast as possible, and handed over to a few foreigners. If Chinese are introduced in the manner proposed, it is possible that the companies indenting them may be able to keep them within the compounds so long as their contracts last. But when the contracts expire, many of the Chinese will be lost, and will be allowed to spread all over the country in order that the cost of sending them back to China may be saved to the companies introducing them. That is what has happened elsewhere, and what will be the condition of South Africa should that kind of thing be allowed to take place there? I should have liked if I had had time to quote the remarks made by some very able American writers and speakers during a recent discussion of the best means of developing the Philippine Islands. I may tell honorable members that those who took part in that discussion instanced Great Britain as the country that should be looked to for a model for the government of semi-civilized and savage countries. A great point was made of the establishment of justice under the British system of colonization, by which the confidence of native populations was secured. The confidence of the native is secured when he realizes that, instead of being under the will of a chief, or of anybody else, he has only to enter a British Court to secure justice. It was claimed that that is the real reason for the success of the British race in colonizing countries inhabited by such people. That brings me to discuss the position of the

coloured labour already in South Africa. The Empire owes a duty to the coloured people in the Transvaal, if the high character of British policy in the government of uncivilized people is to be maintained. There are nearly five millions of coloured people in South Africa, whose interests must be conserved. I would ask what it is that has been deliberately proposed by the people who are advocating the introduction of Chinese to the Transvaal. I am in a position to quote for honorable members the remarks made by Mr. Albu, the chairman of the General Mining and Finance Co., Limited, in moving the adoption of the annual report of the company on the 15th April last. A report and balance-sheet were submitted to the meeting, and also a lengthy statement from the very able manager of the company's mines, as to the labour available and as to labour cost. I quote from the official report of Mr. Albu's remarks.

Sweep away the men who, with fingers covered with blood and lucre, would clutch hold of the vitals of this fair country, and to satisfy greed and ambition, would seduce everything to their own selfish ends. Cast into the fire those who are craftily trying to weave round South Africa the monopolist's net, who employ every force at hand, political agitation, great wealth, and the press, to forward their aims. Guard against the introduction here of the labour troubles of Australia and New Zealand, and the trust fiend of America.

That is very strong language, indeed, and it is the advice of a man who is, to some extent, outside the ring of mining magnates who are advocating this pernicious policy. A friend of mine was actually present at the meetings which were disturbed by men paid 15s. a day for the express purpose. These people have controlled the press as far as they could. They lowered the wages of coloured men, simply in order that they might have some justification for the cry that they could not get coloured labour; and then they raised the cry that they must have Chinese labour. These are the means by which they have attempted to create a public opinion in favour of the proposal they make, and I object to the interests of the nation being sacrificed to the greed of the men who are receiving enormous dividends from the Transvaal mines. When the complaint they make is examined, it will be found that they do not say that the supply of coloured labour is insufficient at the present time, but that a greater supply will be required ten years hence. A statement was made to-day by the right honorable member for Adelaide with respect to

the wages paid on these mines. The English company to which I have referred controls nine mines, and employs 3,217 men. They pay a minimum wage of 30s., and a maximum wage of 35s. for thirty days. That is very much less than the £4 per month quoted by the right honorable member for Adelaide. They tried piecework, and made it a condition that it was not to cover more than 50s. per month, counting the whole of the expenditure for wages and keep, for each native labourer. They found that the piecework system was not satisfactory, and then reverted to the old method. There can be no doubt that if they were to pay higher wages they would get a better supply of labour, because before the Labour Commission evidence was given to show that the supply was improving, and was better than it was immediately after the war. The report made as to the requirements of labour states that 140,000 men are wanted at the present time, but that in ten years there will be work for 300,000. What have we to do with that? There may be many changes on the Rand before that time. The whole thing is a plot, and I say that England requires to clear herself of the suggestion that the Boer war was undertaken for this particular object, and it is our duty to stimulate the British authorities to do so. I desire to quote the letter written to Mr. Creswell, to which reference has already been made. Only a portion of the letter has been quoted, but I shall read the whole of it. It is dated 2nd July, 1902, and is signed by Mr. Percv Tarbut, the chairman of the London board of directors of the Village Main Reef Gold-mining Company. Mr. Tarbut writes:—

My dear Mr. Creswell,—

With reference to your trial of white labour for surface work at the mines, I was not present at the board meeting, when a letter was written stating that the board did not approve of the suggestion, and on receipt of the last mail, I called another meeting to reconsider the matter, in view of the fact that the local board had already commenced to adopt your suggestion.

I have consulted the Consolidated Gold-fields people, and one of the members of the board of the Village Main Reef has consulted Messrs. Wernher, Beit, and Co., and the feeling seems to be one of fear that if a large number of white men are employed on the Rand, the same troubles will arise as are now prevalent in the Australian colonies, *i.e.*, that the combination of the labouring classes will become so strong as to be able to more or less dictate, not only on questions of wages, but also on political questions, by the power of their votes when a representative government is established.

I cannot of course set up my own personal view against that of the authorities I have men-

tioned, but at the same time I think if the European population of the Transvaal is going to increase to anything like what Lord Milner and the other best authorities anticipate, that the extra number of working men which your scheme would provide, would be merely a "drop in the ocean."

The board finally agreed to the trial being made, and a cable was sent to that effect. I hope you will meet with success.

The point I desire to emphasize is that the great firm of Wernher, Beit, and Co., have used their influence to prevent a trial of white men in the mines. It is of no use for them to say that white men cannot do the work, or will not do it, or that they cannot be got, because they have all through deliberately carried out a plot to prevent the employment of white men. This is well known in the Transvaal. My friends in that Colony tell me that if a man is known to be an Australian he cannot get work, and that Australians have been discharged from the mines. What nonsense it is for them to say that they cannot work their mines, and cannot get sufficient labour when those who now appear to control the whole of the Transvaal, as well as the mines and mining properties, adopt such a plan as I have described? Mr. Chamberlain might, I think, with some credit to himself, take some hand in denouncing the proposal to introduce Chinese to the Transvaal. He had some hand in bringing about the Boer war, and I am sorry that his great influence is not thrown into the scale to prevent the threatened disaster to the Rand, and the destruction of the whole future of that field. I have no desire to repeat what has been said already as to the necessity of peopling the Transvaal with men and women of the British race. I agree with the acting leader of the Opposition that unless that is done we cannot hold the Transvaal, and the old trouble is likely to arise there again. I desire that the British people shall maintain the high position they hold amongst the nations of the world, but I should like to know what is going to follow if Chinese are introduced to the Transvaal, and Great Britain should again need our help in any difficulty. Seeing that strong views are held in Australia in regard to this matter, the Imperial authorities would, I think, be wise to give them some consideration, as under certain conditions it is possible there would be no contingents sent to aid Great Britain from Australia should trouble arise in the future. The Australian people are

Mr. Spence.

very democratic, and while we know there was a divided opinion in connexion with the Boer war, the feeling of loyalty to the Empire overcame every other feeling. But I say that Great Britain, much as I admire her, cannot afford to ignore the views which find expression here, in connexion with what is now proposed in South Africa. Great Britain has achieved great things, but she has also made many diplomatic mistakes, and a mistake, which it will be very difficult to condone, will be made if any action is taken which is calculated to drive white men out of the Transvaal. I am anxious to save the Empire from the consequences of any mistake of that kind. I have a right, as an individual, to say so, and this Parliament, as representing an important part of the Empire, has a right to say so. We need not have any fear about laying down precedents for the future. Government, by precedent, is a Chinese proposition. In China, the oldest men in the family govern, as they have there the patriarchal system, and where is that nation amongst the nations of the world? The Chinese have been an educated people for thousands of years, and yet have been standing still. They have been governed by the old conservative view that it is not wise to make any change. I do not believe in the Chinese, or in Chinese politics. I say that it is only by making new departures, and, at times, daring departures, that we can make any progress at all. When reference is made to precedent, the honorable and learned member for Werriwa, as a barrister, must know that "circumstances alter cases." I think that we are able to take care of ourselves. The one great mistake of coercive interference which England has made in her history was that in connexion with America, and that has been enough for her. With wider experience and knowledge she will be prepared to assist in the development of her Colonies, and, I have no fear, that an occasion for interference upon these grounds will ever again arise. I hope that the House will carry the motion unanimously and that honorable members will not quibble about the wording of it.

Mr. KNOX (Kooyong).—I feel that the consideration of this question naturally divides it into two parts; the local justification, that is, whether those who control matters in South Africa are in any sense justified in the request that they have made, and the Imperial or national

view, which I, contrary to the opinion of some of my friends, think that we have a perfect right to take into account. I agree with those who have said that we have seldom heard from the Prime Minister a more eloquent utterance than that which he delivered last evening. I heartily concur, too, in the sentiments underlying it. It will be disastrous to the interests of the whole Empire, if, after all that has taken place there, South Africa eventually comes under the influence of an alien race; and that is possible. The deputy leader of the Opposition, however, in a most practical way, showed that we are rather doing ourselves harm by magnifying our part in connexion with the war. Great Britain has never underrated that, and never will. So long as the Empire exists it will be remembered that Australia came to the assistance of the mother land in time of need.

Mr. CONROY.—For which the men who went got their pay.

Mr. KNOX.—Certainly; but I do not regard the prospect of pay as the motive which prompted their enlistment. The real motive was the strong determination of the community to show that this part of the Empire is prepared to bear its share of the trials of the Empire whenever its assistance is necessary. Upon Imperial grounds we are, I think, justified in passing a resolution to declare that the House is or is not favorable to the importation of Chinese into the Transvaal. Perhaps honorable members may be interested in some facts which show the magnitude of the mining industry there. I shall quote from a work, *The Mineral Industry*, published in New York, which is recognised throughout English-speaking communities as one of the best and most authentic upon the development of the mining industry throughout the world. It contains information and statistics relating to all countries, and an effort is made to collect the information from completely reliable sources. I know that no pains are spared to obtain absolutely accurate information in regard to Australian mines. It is here stated that the value of the ore lying within the depth of 6,000 feet, and a length of 46.9 miles has been estimated at £1,233,560,709, and the output should average £30,000,000 per year. At this rate, it would take 42.5 years to exhaust the fields. While no doubt every effort is being made to produce as large dividends as possible, or to work the field for market purposes,

those facts show that there exists an enormous deposit of mineral wealth, which it is in the interests of South Africa to develop without unnecessary delay. I have here a sample of the ore. It is quartzite conglomerate, known as the Banket Reef, and was obtained at a depth of about 2,000 feet. If anything like it were discovered in Australia, the mining, and indeed all other industries of the Commonwealth, would very soon reach a very profitable position. But even if we had here the wealth of the Transvaal, I hope that no Chinese labour would be used to extract a ton of ore from the ground. That has invariably been my position. This sample of ore gives, on an average, 8 to 10 dwts. of gold to the ton. That is the general average of the deposits which have been developed. The honorable member for Wide Bay quoted an utterance made by a friend of mine a year or two ago, Mr. Harvey Patterson, who is chairman of the Mungana mine. I have had no directorial interest in that mine for nearly three years, though I to-day hold every share that was originally allotted to me. So far as the north of Queensland is concerned, I believe that a great deal of the work there could be performed by coloured labour with advantage to the white race. The mine to which my valued friend has referred to is upon an elevated plateau, and I do not think that the conditions there are such as to necessarily demand the introduction of coloured labour. In fact, I know of no mining undertaking in Australia in connexion with which large numbers of Chinese are employed. On the contrary, the Chinaman is what is known in the mining world as a "hatter." He prefers to fossick by himself, and work in his own direct interest. I wish to impress upon honorable members that there is no ground for the fear indicated by the Prime Minister in his speech, that the great gold deposits of the Transvaal are likely to be rooted out within a very few years for the benefit of a few capitalists. It will occupy at least forty years, working at very high pressure, to extract the enormous quantity of ore now known to exist there, and before that time has elapsed there will probably be further important developments.

Mr. POYNTON.—Unless a mistake has been made in the calculations.

Mr. KNOX.—There is not much chance of that. I have a plan here, which I shall be glad to exhibit to honorable members, showing the features of the deposit on the

Rand. The first line of mines is situated along what is known as the "Outcrop." Then as the deposit dips downwards from the surface, there is an intermediate line of mines, and still further away there are what are called the "Deep" mines, the borings of which extend to a depth of as much as 5,000ft. This uniform deposit extends laterally for the distance I have mentioned, and has been bored to a depth of 6,000ft. in what are known as the Deep Rand mines. Therefore, there would not be much force in the objection of my honorable friend. The feature of the Rand formation is its uniformity; the gold contents of the stone range from 8 to 12 dwts. per ton throughout.

Mr. POYNTON.—The honorable member will admit that we have had reports of a similar kind in Australia, and that they have not always been borne out by subsequent developments.

Mr. KNOX.—So far as reports are concerned, I am prepared to admit that, if mining were reduced to an exact science, all of us would wish to possess mining interests. We know, however, that, to a greater or less extent, the best of mining undertakings must be speculative, because we cannot ascertain, as a rule, what is beyond the point of the drill. The Rand deposit, however, has been proved along three lines, at a considerable distance apart, by bores and shafts, and it has been shown to be uniform to the extent I have mentioned. In fact, there is no other deposit of the same nature in the world, so far as is known at present. I know of no other; and I have visited the largest of the mining fields in other parts. There is nothing to compare with the Rand deposit in uniformity. Therefore, the point raised by the honorable member would not in any way affect my statement that there is no fear that a number of capitalists will be able to root out the whole of the gold-bearing deposits upon the Rand within a few years. I say this with some knowledge of the large firms who are interested in the Rand mines, and who, probably, are troubled by no higher consideration than that of reaching the ore and getting it out at the cheapest rate and the greatest speed possible. There are two classes of mining investors. First, there is the legitimate miner, who tries to deal with a mine as with an ordinary quarry, and get out the stone as cheaply as possible for the purpose of extracting the valuable material, and, secondly, there are those who care nothing about the mine in reality, but

who are wholly influenced by market operations. The latter class of persons always do harm to the industry, and their operations are to be deprecated. I do not for one moment say that this last element does not very largely influence operations in what are known as "kaffir" stocks on the London Stock Exchange. It is well known that Rand stocks are not held entirely by British investors and speculators. They form the medium of large transactions upon the Paris Bourse, the Berlin Bourse, and other large centres of speculative activity. In fact, any one reading the list of firms who control those great undertakings in South Africa will find the names of many men who, although they are domiciled in London, which is the centre of control, and may have been naturalized, do not belong to our own race. The development of the Rand mines, and the increase in the gold production which has resulted, has been of importance to the whole world, and if the output could be increased by any legitimate means we should not interfere. In order to show honorable members that the labour difficulty is real, I desire to refer to the last *South African Year Book*, which occupies a position corresponding with that of Mr. Coghlan's publication. It is therein stated—

For some time past there has been no more pressing question in South Africa than the insufficiency of native labour. Although this shortage directly affects the mining districts, it is visibly reflected in the indirect influence it is exerting upon the progress of the whole country. Previous to the war, the maximum supply of African aboriginal labour available for the Transvaal was 96,704. In the closing months of 1903 it is less by some 30,000, or 30 per cent. The acuteness of the difficulty—

and this is the point I wish to urge to show that there is a real demand for labour on the Rand—

is best conveyed in the fact that the Transvaal Government has temporarily suspended railway construction in order that native labour might not be diverted from the mines. The position will be better understood by perusal of the official figures.

Taking the year 1903, I find that in January the number of white workers was 11,320, whilst in February it had increased to 11,425. This increase continued till June, when they numbered 12,460. The statistics available prove it is imperative that the mining companies shall obtain the assistance of black labour so far as they possibly can. For instance, I find that whereas the number of blacks employed in

January of last year was 50,499, in February it had increased to 54,000; in March to 60,000; in April to 63,000; in May to 66,000; and in June to 67,000. This book goes on to show that every agency possible is being utilized to obtain the services of native labour. In view of these facts, I scarcely think that the House is justified in indulging in a wholesale condemnation of the proposal to introduce Chinese into the mines by declaring that more labour is not required. We know that Lord Milner himself supports the statement that additional labour is necessary. It has been said that the return received in London from these mines was all capitalized for market purposes. In this connexion I should like to quote from an authoritative paper, which was read before the American Institute of Mining Engineers, and sets out the financial conditions in the Transvaal. The author says—

At the outbreak of the war the total capitalization of the gold-mines of the Witwatersrand was over £70,000,000 at par, and at market prices about £147,000,000. A large part of these amounts represents worthless properties which have been floated during boom times; yet, notwithstanding this excessive capitalization, the mines yielded about 7 per cent. on the total capitalization at par, and about 3.5 per cent. on market prices. Eliminating properties notoriously without value, and also the capitalization of certain "deep level" properties which have not, as yet, reached a producing stage, we may pronounce the returns from *bond fide* investments and competent management to have been exceedingly satisfactory.

He goes on to say that forty-one of these companies divide between them £4,847,505, or about 15.6 per cent. on their nominal capital of £31,018,000. The market capitalization of the same companies is £82,555,000, and the dividends returned upon the capitalization represents 5.9 per cent. While we all realize that wild-cat schemes are inseparable from such gigantic mining undertakings, yet on the capitalization to which I have called attention it would be impossible to argue that these mines are not returning a fair interest. I would further point out that these gold-mining companies—according to the statistics available, which are public property—have not very much to complain of as regards the conditions under which they work. I hold in my hand a tabular statement of the profits which were made during 1899, when things were more favorable than they have been under recent conditions, which showed a considerable over-capitalization in a

certain direction—conditions which were disturbed by the war. I find that a leading mine made a profit of 20s. 8d. per ton of ore treated; and it is estimated that if it had been worked entirely by white labour that amount would have been reduced to 12s. 8d. per ton. In another mine the profit of 19s. 5d. per ton would have been reduced to 10s. 10d. per ton. In a third instance the profit of 22s. 11d. per ton would have been decreased to 14s. 8.70d. per ton. In other mines the profits would have been reduced as follows:—From 12s. 9d. per ton to 3s. 2.30d. per ton; from 15s. 9d. per ton to 5.10d. per ton; from 13s. 6d. to 2s. 6.50d. per ton; from 9s. 3d. per ton to 2s. 5.74d. loss per ton; and from 13s. 2d. to 7.90d. per ton. I desire to show that, regarding these mines as purely business propositions, the owners have much to gain by employing other than white labour. The average wage paid for native labour is 2s. 2d. per day, whereas the cost of white labour averages 12s. per day. That calculation is based upon the assumption that one white man is equal to two natives. Having regard to the profits per ton of ore treated, you will observe that the companies in question are making a larger profit than most of the great mines which are working in Australia. I have in my possession the quotations of the Transvaal Chamber of Mines for December, 1903. Taking the list as it comes, and without naming the companies concerned, I find that they made the following profits:—20 per cent., 50 per cent., 30 per cent., 15 per cent., 112½ per cent., 25 per cent., 50 per cent., 25 per cent., 10 per cent., 17½ per cent., 25 per cent., and so on. Despite the fact that every mining enterprise, because of its speculative character, is expected to yield a much larger return than ordinary investments, I must admit that these mines are making very satisfactory profits indeed. I wish to emphasize the fact that there is no justification for the statement that they can be worked out immediately. There is much gold to be obtained there, and it is desirable that it should be extracted as speedily as possible. As far as I am able to see, the mines are looking very well, and all that they need is additional labour. The question is, what should that labour be? I am emphatically of opinion that the low-grade ore in the mines necessitates, in most circumstances, the employment of kaffir labour in conjunction with white labour. White men are employed chiefly to control the cyanide works, to direct surface operations, and to act as

shift bosses. Very little white labour is employed in actual stoping or sinking operations, for the introduction of machine and power drills has greatly reduced the labour requirements in that direction. I have dealt with the practical side of the question, and I repeat that, having regard to the large quantity of gold to be extracted, there is justification for the desire to secure more labour for the mines. The great question is whether we, as an integral part of the Empire, are justified in interfering by making a suggestion either to the British Government, or to the authorities in the Transvaal on the lines recently followed by the Prime Minister. From an Imperial stand-point, there can be no objection to the course pursued by the Prime Minister, and my only regret is that it should have been necessary for him to take action. I am forced to admit that we have been somewhat under a misapprehension as to the policy to be followed in South Africa. We were under the impression, when the outbreak of hostilities occurred, that we were securing a united community there, that the people of the Transvaal were to possess the advantages enjoyed by the people of Australia, and that the country was not going to be dominated by either a capitalistic or a labour class. We were led to believe that free institutions were to be established, and that this was one of the objects of the war. I am inclined to think that the motion proposed is unnecessarily abrupt, in so far as the use of the words, "That this House emphatically protests" is concerned.

Mr. WATSON.—The motion has been amended so as to read—"That this House records its grave objection," and so forth.

Mr. KNOX.—I was not aware that that amendment had been made; but it is an improvement, and is in better form. Upon Imperial grounds, and because of our desire to preserve the unity of the Empire, I feel that we shall be justified in expressing our opinion, but in a form more conciliatory and dignified than that in which the motion was first framed. With the kaffir labour which is available the mine-owners are, in my opinion, obtaining excellent profits, and considerable developmental work is taking place. It seems to me, therefore, that an opportunity ought to be given to the white races—to the men who left Australia for South Africa—to obtain work in the mines. I have some interesting figures in my possession, but I shall refrain from referring to them, inasmuch as it would be

unreasonable for me to detain the House beyond the hour at which it is usual to adjourn. Had time permitted I should like to have dealt with the subject more exhaustively than I have done, for it is one on which I believe I am in a position to afford the House some information, and to convey to honorable members generally some knowledge of the difficulties associated with it. If I have succeeded in impressing honorable members with the fact that no injustice should be done to South African investors—that there is no intention on their part to simply tear out the gold from the mines without any regard for the welfare of the whole country—and that there is a large demand for additional labour in South Africa, I shall feel that I have not spoken in vain. On Imperial grounds and for racial considerations I think we are at liberty to express an opinion as members of this House, on so serious a proposal as the introduction of a large number of Chinese to South Africa. If carried into effect it will, I fear, tend to weaken the bonds of that Empire which we have spared no effort to weld strongly together. I will support an amendment to the motion, expressing such an opinion, which, however, must not have the slightest appearance of dictation.

Mr. CAMERON (Wilmot).—I believe it is customary for the House to adjourn about 4 p.m. on Friday, and I, therefore, move—

That the debate be now adjourned.

Mr. FISHER.—Let us finish it.

Mr. WATSON (Bland).—I think that the honorable member for Wilmot is the only one who wishes, at this stage, to address the House, and as most honorable members appear to desire that the motion should be disposed of as early as possible, I would urge him to proceed. There is one special reason why those in favour of the general tenor of the motion desire to have it dealt with without delay. We read in to-day's newspapers that the question will be considered by the Imperial Parliament within the next few days, and that fact renders it highly desirable that any action which we may contemplate should be taken early. I, therefore, appeal to those who desire to see the motion carried to expedite its early passage. I would ask the honorable member to withdraw his motion, for I presume that he would not occupy much time in putting his arguments before the House.

Mr. G. B. EDWARDS.—At this stage, we can best assist the object of the motion by refraining from speaking.

Mr. CONROY (Werriwa).—I do not think that it is possible to conclude the debate this afternoon. I have an amendment to propose.

Mr. SPEAKER.—The honorable and learned member cannot move an amendment, for he has already spoken.

Mr. CONROY.—An amendment will be submitted, and it will emanate from me, even if it be moved by some other honorable member.

Mr. DEAKIN (Ballarat—Minister for External Affairs).—Do I understand that an amendment is to be moved?

Mr. CONROY.—Yes.

Mr. DEAKIN.—That being so, it would be impossible to conclude the debate this afternoon without causing the representatives of South Australia to miss their train. In these circumstances, I shall not oppose the motion for the adjournment. I would say, however, that the debate must be closed on the next day of meeting. The first business to be dealt with on Tuesday will be the second reading of the Conciliation and Arbitration Bill. The debate on this motion will then be resumed, and the sitting of the House will be continued as long as may be necessary to enable the motion to be dealt with.

Motion agreed to; debate adjourned.

SPECIAL ADJOURNMENT.

PRESENTATION OF ADDRESS IN REPLY.

Mr. DEAKIN (Ballarat—Minister for External Affairs).—I move—

That the House, at its rising, adjourn until 3.30 p.m. on Tuesday next.

I would inform the House that Mr. Speaker, and as many honorable members as can make it convenient to attend, will present the Address in Reply to His Excellency the Governor-General at 4.40 p.m. on Tuesday next.

Mr. SPEAKER.—May I at this moment say to the House that as His Excellency the Governor-General has appointed twenty minutes to 3 o'clock on Tuesday next to receive the Address in Reply at Government House, I shall be very glad to be accompanied to that place by as many honorable members as may choose to come, and that for that purpose it will be necessary to leave the building at twenty-five minutes past 2 o'clock?

Question resolved in the affirmative.

ELECTION PETITION.

HIRSCH v. PHILLIPS.

The CLERK announced the receipt from the Deputy Registrar of the High Court

of Australia, under section 202 of the Commonwealth Electoral Act, of a copy of the following order of the Court of Disputed Returns:—

In the High Court of Australia,
Principal Registry,
Court of Disputed Returns.

In the matter of the election of a member of the House of Representatives for the electoral division of Wimmera, in the State of Victoria.

Before His Honour the Chief Justice, Saturday, 12th day of March, 1904.

This petition coming on for trial this day, upon reading the petition of Maximilian Hirsch, filed the eighth day of February, 1904, and the appearance of Pharez Phillips, who was returned as a member of the House of Representatives at the above-mentioned election, and upon hearing what was alleged by Mr. Mitchell, of counsel for the said Maximilian Hirsch, and Mr. McCay, counsel for the said Pharez Phillips, no evidence being tendered by the said Maximilian Hirsch, this Court doth order that the petition of the said Maximilian Hirsch be and the same is hereby dismissed, and this Court does not think fit to make any order as to the costs of the said petition, except that the sum of Fifty pounds, deposited with the Principal Registrar by the said Maximilian Hirsch at the time of filing his said petition, to be returned to him or to his solicitor, Mr. Henry Rawdon Francis Chomley.

By the Court,
J. W. O'HALLORAN,
Deputy Registrar.

PAPER.

The CLERK laid upon the table the following paper:—

Return to an order dated 18th March as to Imports from the United Kingdom during 1903.

ADJOURNMENT.

EASTER HOLIDAYS: FEDERAL CAPITAL:
CONCILIATION AND ARBITRATION BILL:
PUBLIC SERVANTS' LEAVE.

Motion (by Mr. DEAKIN) proposed—

That the House do now adjourn.

Mr. DUGALD THOMSON (North Sydney).—I desire to ask the Prime Minister if he can announce the intentions of the Government in regard to the Easter holidays, so that those honorable members who wish to visit the Federal Capital sites, and those honorable members who have seen the sites and do not wish to see them again, may be in a position to make their arrangements. A suggestion has been made in the interests of those honorable members whose homes are distant, that it might be better for the Easter adjournment to begin at the end of next week. I am quite sure that honorable members whose homes are nearer would be only too

glad that their fellow-members should be inconvenienced in that way. I also desire to ask the Prime Minister if, after his second-reading speech on the Conciliation and Arbitration Bill, he intends to allow that interval before the resumption of the debate which is usually allowed in the case of an important measure?

Mr. WATSON.—We do not need so long an interval in the case of a Bill which has been re-introduced.

Mr. DUGALD THOMSON.—I would remind my honorable friend that we have a great many new members in the House. I think that a reasonable interval should be allowed, in order to enable honorable members to look properly into the measure, and to consider the arguments of the Prime Minister.

Mr. MAHON (Coolgardie).—I wish to draw the attention of the Government to the fact that the public servants in Western Australia are being deprived of their annual leave, in rather an unfair fashion. It appears, from the representations made to me, that when an officer is unable, in any one year, to secure his leave—a fortnight or three weeks, as the case may be—through the failure of the Department to have an adequate relieving staff, that leave which is supposed to accumulate is lost to the officer in subsequent years. If the Department will not take precautions to see that an officer at a remote station is relieved during the year and given his ordinary holiday, he should not suffer for its neglect. That seems a reasonable proposition. But I am given to understand that officers engaged as telegraph operators—an employment which makes a considerable demand on the nervous system of some men—for as long a period as five or six years, without getting their ordinary holiday, and that when they apply they are told—"Oh, yes; we will let you go as soon as we can make arrangements to relieve you." The arrangements to relieve are not made, and the men go on from year to year without getting any opportunity for relaxation. There are other matters in connexion with the Public Service to which I should like to draw attention, showing that friendless officers in the interior of Australia appear to be fair game for the tyranny of departmental heads. By every mail I get complaints from these men about the unfair way in which the Public Service Regulations are interpreted in their regard. I have brought this matter before

the Postmaster-General, but very little satisfaction can ever be obtained.

Mr. O'MALLEY.—The late, or the present Minister?

Mr. MAHON.—I shall not go into any details, as the hour is getting rather late. I merely wish to draw the attention of Ministers to this matter, because I feel sure that they are not aware of the injustice which is being perpetrated.

Mr. DEAKIN.—This is the first that I have heard of the matter.

Mr. MAHON.—The Commissioner should not be allowed to be a buffer between them and the meting out of justice to the men in remote stations. But I shall take advantage of another opportunity, when honorable members are not so desirous of getting away, to speak on the matter.

Mr. WATSON (Bland).—With regard to the adjournment of the debate on the second reading of the Conciliation and Arbitration Bill after the Prime Minister has made his speech, I desire to point out that there is not the same necessity for a long adjournment in the case of that Bill as there would be in the case of a measure which was being introduced for the first time. Allowing that the House contains a considerable number of new members, the Bill has not been materially altered so far as I can perceive. Now that we have concluded the very long debate on the Address in Reply we should be prepared to do some work. With regard to the adjournment of the House over the Easter holidays, I think that the honorable member for North Sydney has made a very proper request.

Mr. DEAKIN (Ballarat—Minister for External Affairs).—The original proposal which I submitted to the House when an Easter adjournment was suggested, was that we should adjourn at the end of next week, and have a fortnight's holiday, which would permit of some honorable members visiting the Capital sites, and other members returning to their homes. I was afterwards induced to put aside that idea by a suggestion that the holidays should begin a week later, but since it appears that the wishes of most honorable members would be consulted by beginning the holidays from the end of next week, I shall fall in with their view. I am rather surprised at the request for an adjournment of the debate on the second reading of the Arbitration Bill. I must say that until the debate on the Chinese question was adjourned to next week, I had supposed that if the second reading of the Conciliation and Arbitration

Bill were moved on Tuesday honorable members would be prepared to continue the debate on a Bill which is familiar to many of them, and which has been lying on the table for three weeks. Surely we ought to be able to deal with it now without any delay.

Mr. WATSON.—The debate on the last Bill filled two volumes of *Hansard*.

Mr. DEAKIN.—If the debate is commenced, as I hope it will be, very early on Wednesday, and new members find that they have not had sufficient time in which to study the provisions of the Bill, we shall endeavour to proceed with other business when the older members of the House have delivered their speeches.

Mr. FISHER.—Does the honorable and learned gentleman intend to begin the debate on Tuesday?

Mr. DEAKIN.—I should like to.

Mr. KINGSTON.—The interval is rather short.

Mr. DEAKIN.—If I find it necessary I shall be prepared to make a little adjournment. If we are going to separate at the end of the week we could not make any progress by that time. I hope that honorable members will not ask for any further adjournment, but will devote themselves to the Bill until it is disposed of one way or another. I have heard for the first time of the neglect of the public officers in remote districts in the particular mentioned. I shall plead with my colleague that the State of Western Australia should receive some attention.

Mr. KINGSTON.—Will copies of the Navigation Bill be available?

Mr. DEAKIN.—Yes.

Question resolved in the affirmative.

House adjourned at 4.22 p.m.

House of Representatives.

Tuesday, 22 March, 1904.

Mr. SPEAKER took the chair at 3.30 p.m., and read prayers.

GOVERNOR-GENERAL'S SPEECH: ANSWER TO ADDRESS IN REPLY.

Mr. SPEAKER, accompanied by honorable members, having proceeded to Government House to present the Address in Reply to His Excellency the Governor-General:

speech, and being returned, said—I have to report that this day, accompanied by honorable members, I waited upon His Excellency the Governor-General, and presented to him the Address in Reply to His Excellency's speech at the opening of Parliament. His Excellency was pleased to make the following reply:—

MR. SPEAKER AND GENTLEMEN,—

It is with extreme pleasure that I receive from you the address adopted by the House of Representatives in reply to the speech delivered by me on the occasion of the opening of the first session of the second Commonwealth Parliament. I trust that the deliberations of the House of Representatives during the ensuing session will be productive of much benefit to the people of the Commonwealth.

MARKING OF BALLOT-PAPERS.

Mr. HUTCHISON.—I wish to ask the Minister representing the Minister for Home Affairs, without notice, if he is aware that at the recent elections, in many instances in Victoria, the number on the roll of the person voting was written upon the ballot-paper, a violation of the secrecy of the ballot and a contravention of the provisions of the Electoral Act, section 158, which enacts that—

A ballot-paper shall be informal if—

- (d) It has upon it any mark or writing not authorized by this Act to be put upon it which in the opinion of the Returning Officer will enable any person to identify the voter.

I wish to know from the Minister if he will see that at the Melbourne election, and at all future elections, the provisions of the Act are adhered to in their entirety, to prevent the country and candidates from being put to unnecessary expense?

Mr. DEAKIN.—So far as I am aware, the Electoral Department has no knowledge of the error to which the honorable member refers having been committed, though it is one likely to occur in Victoria, because the State electoral law requires that the number of the voter shall be marked upon the back of his ballot-paper. Every precaution will be taken to prevent the mistake being made at the Melbourne election and every forthcoming election.

S.S. ARAMAC.

Sir PHILIP FYSH.—The honorable and learned member for West Sydney, on Friday last, asked a question, without notice, in regard to the reported refusal

of a pilot at Burnett Heads to send a telephone message for a passenger from the *Aramac*. As the matter is of some public importance, I should like to read the following correspondence which I have received on the subject:—

Commonwealth of Australia.

Postmaster-General's Department,
Melbourne, 22nd March, 1904.

DEAR SIR,

With reference to the question asked by Mr. Hughes in the House of Representatives on the 18th inst., respecting a complaint that the passengers in one of the boats from the *Aramac*, who called at a pilot station, were refused permission to telephone from there without paying, and the Prime Minister's reply thereto, I forward herewith copy of a telegram which has been received from the Acting-Deputy Postmaster-General, Brisbane, in reply to inquiries made by this office in connexion with the matter.

Yours faithfully,

(Signed) ROBERT T. SCOTT.

The Acting Secretary,
Prime Minister,
Melbourne.

Copy of a telegram from the Acting Deputy Postmaster-General, Brisbane, to the Secretary, Postmaster-General's Department, Melbourne, dated 22nd March, 1904:—

"Yours 19th and yesterday—on 15th inst. Officer in Charge, Bundaberg, in answer to inquiries from this office in reference to alleged refusal telegrams at Burnett Heads without prepayment from some of *Aramac* passengers, wired thus:—'Mrs. Jones, Burnett Heads, states none refused there'; later on same date he wired as follows:—'Re previous memo. refusal to collect telegrams on further inquiry from Captain Jones, Burnett Heads, who was absent from home at time inquiry made to-day he states Mrs. Jones says one of pilot boat men brought piece of paper to her about 8.30 a.m. yesterday with something written in pencil on it which she could not read or make anything out of. She gave it to boatman to give to the cabman he got it from to ask person who sent it what it meant, and what was wanted; says cabman was starting for town and supposed he had taken it with him; probably these were telegrams reported as refused.' The Marine Department has since obtained a report from Captain Jones, Harbor-Master at Burnett Heads, dated 18th inst., in which he states 'No telegrams were handed in this office and refused to be sent as stated, owing to their being unaccompanied by cash. This office was attended to constantly day and night, therefore I do not understand their complaint.' No complaints were made to this office; papers being posted you."

TASMANIAN DEFENCE FORCES.

Mr. McWILLIAMS.—I wish to know from the Minister of Defence if his attention has been called to a paragraph in the Melbourne press of this morning's date, stating that a number of the officers and men of the Tasmanian Defence forces has been practically dismissed the service. When

does he anticipate being in a position to lay upon the table of the House the papers in connexion with the military difficulty which has arisen at Hobart?

Mr. CHAPMAN.—My attention has been called to a paragraph in this morning's newspapers relating to the disbandment of certain troops in Tasmania. That report is hardly correct, because only one officer has been retired, and the remainder have been placed upon the unattached list. I hope to be able to lay upon the table tomorrow particulars with reference to the disbandment referred to, and the recommendations made in regard to the matter.

IMPORTS FROM THE UNITED KINGDOM.

Mr. DUGALD THOMSON.—I wish to ask the Minister for Trade and Customs without notice, if he has observed that the return to an order of the House of Friday last does not give the information asked for? The information sought was in respect to "goods, the product of the United Kingdom," while that given is in respect to goods imported from the United Kingdom. Will further information be supplied?

Sir WILLIAM LYNE.—The reason why the return has been prepared in the way in which it has reached the honorable member is that it is almost impossible to obtain information as to what goods are the product of Great Britain, because all the invoices come from Great Britain and the goods are credited to that country, even though they may have been made on the Continent.

At a later stage.

Mr. DUGALD THOMSON.—I desire to ask the Prime Minister whether he has observed from the return which has recently been placed on the table, that the statement frequently made during the electoral campaign that the average duty upon goods of British production, imported into Australia, was 6 or 7 per cent., must have been very wide of the mark, and that the percentage on the imports of goods from Great Britain, which consist principally of goods of British production, amounts to about 25 per cent. That percentage applies to dutiable goods only, but if the goods which are not dutiable are taken into account, the average duty represents nearly 20 per cent. If the return be correct, does not the Prime Minister recognise the erroneous character of the statement referred to?

Mr. DEAKIN.—I have not yet seen the return in question, but I am quite prepared to accept the statement of the honorable member as to what it discloses. It is perfectly possible, by selecting particular imports from Great Britain, to show any average of duty ranging, from 100 per cent. down to nothing. It is only necessary to select narcotics and stimulants in order to produce an average duty as high as you like, or by selecting free goods to reduce the average as low as you like. Any average between these two extremes can be obtained by a selection of articles upon which varying rates of duty have to be paid. I have never attached any value to the 7 per cent. calculation, except that placed upon it by the British Board of Trade, which made it, viz., as showing the average duty paid upon the products named in the return.

Mr. DUGALD THOMSON. — That was based upon the average production of Great Britain.

Mr. DEAKIN.—Yes. The calculation of the Board of Trade was indisputable. I have stated on many platforms that by making another combination of goods an entirely different percentage might be shown. The value of the return lay in the fact that the Board of Trade considered that the articles named represented the principal British exports.

CUSTOMS PROSECUTIONS.

Mr. CROUCH.—Is the Minister for Trade and Customs willing to place copies of the evidence taken and the depositions made by his officers in Customs cases, and his final decisions thereon for the period he has filled the office of Minister for Trade and Customs, upon the table of the House or in the library?

Sir WILLIAM LYNE.—I have no objection to the information being given to honorable members, but at this moment I am not prepared to say that I will lay it upon the table of the House, or have it placed in the library. The honorable and learned member can see any papers that he wishes to see, but I am scarcely justified in promising to lay every decision upon the table. Honorable members can see the papers if they wish to do so, or if they move for their production I shall be willing to lay them upon the table. If the honorable and learned member desires any information he can get it, or if he wishes to see any paper he can see it at any time if he will go to the Department.

PAPER.

The CLERK laid upon the table the following paper:—

Return to an order dated 18th March, concerning the appointment of the Federal Patents Commissioner.

TRANSPORTATION TO NEW CALEDONIA.

Mr. WILLIS asked the Prime Minister, *upon notice*—

1. Whether the Government are aware that a strong party in the General Council of New Caledonia has urged that it would be beneficial to recommence the transportation of convicts from France, to provide much-needed cheap labor in that Colony, and, moreover, that efforts are being made in France to recommence the transportation of convicts to New Caledonia?

2. Whether, in view of the foregoing facts, the Government will take steps to have brought under the notice of the French Government the great anxiety of the people of Australia that New Caledonia should cease to be a penal settlement, and protest against a renewal of the objectionable system of the transportation of French convicts to a Colony so close to the shores of Australia?

Mr. DEAKIN.—The answers to the honorable member's questions are as follows:—

1. The fact that the General Council of New Caledonia passed a resolution in favour of transportation was, in common with all other public announcements on this subject, duly observed by the Government. I am not aware what efforts, if any, have been made in France with a view to recommending convict transportation.

2. The Government have made various communications on this subject, but have no reason to suppose that transportation is likely to be resumed.

SOUTH AUSTRALIAN MEDICAL CORPS.

Mr. HUTCHISON asked the Minister for Defence, *upon notice*—

Who intimated to the South Australian Medical Corps that a Medical School of Instruction would be held, and invited members, who were put to much inconvenience, to attend, when there was no officer available to conduct the school?

Mr. CHAPMAN. — In reply to the honorable member's question, I have to state—

The General Officer Commanding reports that the Director General of Medical Services intimated, by order, to the Commandant of the Commonwealth Military Forces of South Australia that the General Officer commanding desired a School of Instruction for officers of the Australian Army Medical Corps (South Australia). The dates suggested were found later to clash with other duties, which prevented the attendance of the instructor in question. Fourteen days' notice was given of postponement that any inconvenience to officers might be avoided.

CHINESE ON CABLE STEAMER IRIS.

Mr. SPENCE asked the Postmaster-General, *upon notice*—

Whether it is a fact that Chinese are employed on the *Iris*, a boat owned by the Pacific Cable Board; and, if so, will he take steps to protest against their employment?

Sir PHILIP FYSH.—The answer to the honorable member's question is as follows:—

The Postmaster-General is not aware whether any Chinese are employed on the *Iris*, a vessel that has not so far been employed in Australian waters.

DEFENCE REGULATIONS.

Mr. CROUCH asked the Minister for Defence, *upon notice*—

1. Is he aware that the new Defence Regulations require every Warrant and Non-Commissioned Officer to have a copy of such Regulations?

2. Is he aware that a General Order has been issued that such Regulations must be obtained by such officers at an expense of 2s. 6d.?

3. Will he arrange that these Regulations be on issue on loan to those compelled to use them, without cost?

Mr. CHAPMAN. — In reply to the honorable member's question I have to state:—

1. Yes.

2. The price for the new Military Regulations was notified in General Orders to be 2s. per copy, but they are now being sold at 1s. per copy. The reduction in price is being notified in District Orders accordingly.

3. The custom has never been to issue these regulations on loan, and it is not considered advisable to make any change.

RETRENCHMENT OF MAJOR CARROLL.

Mr. GROOM asked the Minister for Defence, *upon notice*—

Whether he will state to this House what his decision was in the inquiry he held into the reasons alleged for the retrenchment of Major Carroll, of Queensland.

Mr. CHAPMAN. — In reply to the honorable member, I have to state:—

When retrenchment was in contemplation, the merits of officers concerned were taken into careful consideration by the then Minister for Defence, in conjunction with the General Officer Commanding; and I think a bad precedent would be created by re-considering what was then done. No doubt there were many officers who felt themselves aggrieved by the decisions then arrived at—that is a feeling which naturally and inevitably accompanies all retrenchment, but opinions of this kind cannot in any way over-ride the action of constitutional authority, or deprive the

conclusions arrived at of that finality which is essential to the successful control of the military forces. Unfortunately, on all such occasions it becomes the painful duty of a Department to sacrifice the services of some competent officers, and it is not necessary that charges of want of competence should be brought against those who suffer in the process of retrenchment. With regard to Major Carroll's complaint that he has been for over eight months attempting to obtain satisfactory reasons, and also to receive an explanation as to why documents and records of service had been destroyed, I find that, on 1st September, 1903, he was informed that only three papers in connexion with him were destroyed, and that none of these constitute records of service. As regards his claim to promotion, he has been dealt with similarly to other officers serving in South Africa, by his rank being confirmed as honorary rank in the military forces of the Commonwealth. After a careful consideration of the papers, it appears to me that Major Carroll rendered good service in South Africa; that he is a good and zealous officer, and that no imputation of any kind rests on his character. But, unfortunately, the necessity for economy in military expenditure remains; and where further expenditure takes place it should not, in my opinion, be directed to an increase in officers and men so much as to a more substantial addition of arms and equipment.

FEDERAL ELECTIONS: PAYMENTS TO POLICE.

Mr. CROUCH asked the Minister for Home Affairs, *upon notice*—

1. Has he yet paid the pay for the police at the recent Federal election? If not, why not?
2. If paid, to whom did he pay it?
3. Is he aware that the Victorian Police Department refuses to pay this money in some cases?
4. Will he inquire whether the money paid to certain police at Bendigo was taken from them again, and was the money so taken returned to the Federal or State Treasury?
5. Was the Victorian Police Department his agent only for payment of this money, and will he stop his agents misapplying the money?

Sir JOHN FORREST.—The answers to the honorable and learned member's questions are as follow:—

1. The services of members of the Police Force were, in certain cases, utilized in connexion with the recent Federal election. Remuneration at the usual rate of 10s. per day was available for payment by the Divisional Returning Officer to each officer so engaged.
2. See reply to Question No. 1.
3. The Chief Commissioner of Police intimated, on the 23rd December last, that he proposed to collect, and return to the Chief Electoral Officer for the Commonwealth, any amounts paid to the police who assisted at the elections, as he thought a distinction should not be made between those officers who were on duty at the entrance to the polling places, and other officers who were on ordinary police duty at the polling booths.

4. The amounts already paid have been refunded by the police concerned, and are at present in the hands of the Chief Commissioner of Police awaiting re-payment to the Commonwealth.

5. No. The payments were made to the individual members of the Police Force, but, acting under the instructions of their superior officer, they appear to have subsequently remitted the amounts to their head-quarters.

IMPORTATION OF OPIUM.

Mr. JOHNSON asked the Prime Minister, *upon notice*—

1. Whether the Government is aware of the large extent to which Chinese opium dens are resorted to by European women and young girls, for indulgence in the use of the opium drug?
2. Whether, in view of the baneful and pernicious effects which habitual indulgence in the use of the drug has upon the health and moral well-being of the victims to the habit, the Government will give early consideration to the question of prohibiting its importation for other than medical purposes?
3. Whether, in the event of the Government being unwilling to consider the question of limiting the importation of opium (as suggested in question 2) at the present time, they will have inquiries instituted as to the extent to which the opium smoking habit prevails throughout the Commonwealth, and the general conditions surrounding its indulgence in the dens commonly resorted to for the purpose?

Mr. DEAKIN.—In reply to the honorable member, I have to state:—

1. It has been reported that this practice prevails extensively in the large cities.
- 2 and 3. Reports will be called for, and the matter will receive full consideration as early as possible.

I may add, that if the honorable member desires further information upon this subject, he should direct his inquiries to the Minister for Trade and Customs. Of course, in the absence of my honorable colleague, I am only too happy to give the information now imparted.

WIMMERA ELECTION.

Mr. FULLER asked the Minister for Home Affairs, *upon notice*—

1. Did the Electoral Officer for Victoria—Colonel Outtrim—send any instructions to the Returning Officer for Wimmera on the use of form Q at the adjourned polling at Ni-Ni?
2. If so, what were the terms of these instructions?
3. Was Colonel Outtrim advised to send these instructions; if so, by whom, and what were the terms of such advice?

Sir JOHN FORREST.—In reply to the honorable member's questions, I have to state:—

1. Yes.
2. The Divisional Returning Officer was advised by wire in the following terms:—"When

advertising date of postponed poll at Ni-Ni, please intimate that form 'Q' will not be accepted.—(Signed) OUTTRIM. 19th December, 1903."

3. There was some telephonic communication between Colonel Outtrim and the Commonwealth Electoral Department (the Chief Electoral Officer was absent in Sydney) upon which the telegram, as above, was sent.

On the 21st December, the Chief Electoral Officer telegraphed to the Divisional Officer for Wimmera, clearly stating that the question was one absolutely for his own discretion; but, advising as to best course to pursue. A reply was received on the same day, and a further telegram was sent reiterating that the sole responsibility rested with the Divisional Returning Officer.

The polling at Ni-Ni took place on the 23rd—two days after these telegrams from the Chief Electoral to the Divisional Returning Officer.

CLAIMS OF LETTER-SORTERS.

Mr. WATSON, for Mr. HUGHES, asked the Postmaster-General, *upon notice*—

1. Is it the intention of the Postal Department, in the regrading of officers shortly to take place, to specially consider the claims of the letter-sorters at the Sydney General Post Office in certain important respects?

2. Is the Postmaster-General aware that in the Sydney office it has been the practice to draft into the sorting-room clerks who, it is said, have been found incompetent to discharge their duties in other branches of the postal service, and that these clerks have been given an apparently unfair preference, whenever vacancies occur, by promotion over the heads of letter-sorters who have been in the Department for periods extending from fifteen to twenty-five years?

3. Is it a fact that these letter-sorters, apart from the clerks already referred to, have received no additions to their salaries since 1895?

4. Is it a fact that since the overtime was discontinued sorters have been compelled to work from eight to nine hours a day and ten hours on English mail day, while the clerks do not work more than seven hours each day?

Sir PHILIP FYSH.—In reply to the honorable member's questions, I have to state:—

1. The regrading of officers is a duty which does not devolve upon the Postal Department, but upon the Public Service Commissioner, who will no doubt take all facts into consideration.

2. The Postmaster-General has been informed that nothing is known in the Sydney office of the practice referred to.

3. Without the names of the officials referred to it is not possible to furnish this information.

4. The average number of hours of work that may be required from both sorters and clerks have been determined by the Public Service Commissioner on a fortnightly basis; if these hours are exceeded overtime is paid. Sorters are required to work from eight to nine or ten hours on certain days when work is heavy, but they are compensated either in time or money under the Public Service regulations quoted.

MANUFACTURES ENCOURAGEMENT BILL.

Motion (by Sir WILLIAM LYNE) agreed to—

That leave be given to bring in a Bill for an Act relating to Bounties for the Encouragement of Manufactures.

Bill presented and read a first time.

CONCILIATION AND ARBITRATION BILL.

SECOND READING.

Mr. DEAKIN (Ballarat—Minister for External Affairs).—I move—

That the Bill be now read a second time.

There are times when even *Hansard* has its uses, and on this occasion it renders the task which I have to perform one of a different character from that which fell to my lot last year. A reference to the report of the previous debate upon this Bill will show that, so far as I did not take part in it—if I may be permitted to say so—it was exhaustive in character, reviewing, as it did, the measure, and most of its provisions, with great ability, and evidences of great research. I do not, therefore, propose to inflict upon this House matter, be it ever so weighty or valuable, which is already to be found in the official report of the debate to which I have alluded, and to which I take the liberty of referring honorable members. So far as my own comments are concerned, it did then seem desirable to attempt some examination of what may be termed the economic root from which this and kindred proposals spring. That still seems to me to be of the first importance, but to repeat what was then said would not add to its importance. Consequently, taking as my basis the remarks which were then made, and assuming on the part of honorable members generally a knowledge of the debate that followed, which either they do possess, or will have an opportunity of possessing, before we reach the stage at which a vote will be taken upon the second reading of the Bill, I propose this afternoon to approach my subject from the standpoint which has been rendered necessary by the alterations that have been made in the measure as it is now submitted. These are of two classes. The most numerous relate merely to matters of draftsmanship. Certain clauses have been consolidated, without any loss of clearness, I hope, but with a view to assist those who wish to grasp the purposes of particular parts of the Bill.

A few notable changes have been made in substance, for instance, in clauses 54, 57, and 74. Prior to that, it is perhaps fitting that I should put before the House, as briefly as possible, an analysis of the measure, so far as to disclose its general scheme and enable honorable members to judge its applicability to the purposes to which it is directed. But I shall do this as largely as possible by reference to the particular parts of the Bill to which attention may be called with advantage, and shall not think it necessary to inflict upon the House the reading of these clauses in full, or any undue expatiation upon their meaning. The object of the measure has been stated to be, so far as its attainment may be possible, the establishment of industrial peace. The discussion upon the Bill, both at the time it was formerly submitted, and recently in anticipation of its re-introduction, has been concentrated upon the possibility or impossibility of achieving this task by legislative means. In the previous debate something was said as to that possibility, but further inquiry and examination will, I think, satisfy others, as it has satisfied me, of the urgent and burning need for making an effort—I would almost say any effort—to approach nearer to that most desirable end. I find that in the Commonwealth the burden of the argument in opposition to it is that the proposal is made in the interests of the employes—that it is a one-sided measure which casts a burden upon employers, and yields advantages only to those whom they engage. I think that a glance, a mere reference to recent events or records in the two great countries to which we most naturally turn for enlightenment upon all industrial questions, will very largely tend to remove that supposition. They may find some confirmation in the recent enunciations of the law in Great Britain, in what is known as the *Taff Vale* case, and more recently still, in the Yorkshire Colliery cases. These have shown, first, that the action permissible by trades unions in connexion with strikes is much less ample than was previously supposed, and next, that the power to obtain redress by any employers, proved to have been injured by the action of trades unions, is now much more within the reach of owners and investors than it was previously thought to be. As a consequence, I take it, that whatever hesitancy has existed on the part of the best informed trade unionists in the mother

country in regard to submitting their disputes to arbitration, is in rapid process of being removed. In that country, at all events, a measure of this kind would give some such guarantee as it is supposed to offer in Australia—a guarantee that they shall not be left practically helpless in many emergencies of industrial warfare. We may anticipate, therefore, that a much more kindly eye will be cast by them upon this proposal, when it is considered at their future conferences. If we turn to the new world, and particularly to the eastern States of America, we shall see the other side of the picture. There, we find a state of affairs in which I imagine the employers of the United States may reasonably be expected to be looking with some anxiety for the passing of a measure of this character. Not possessing a personal knowledge of the circumstances of those States, more than was afforded by a brief visit some fifteen years ago, I do not pretend to weigh in the balance of judgment the statements which are made. I find, however, in the last few issues of one of the most reputable newspapers published in the eastern States—a newspaper which lies upon the table of the library—a series of four articles under the heading of “The Strangle Hold of Labour.” It is true that they are written in a partisan spirit, but they aim at demonstrating, and cite a large number of facts to prove, that so far as New York and many other States are concerned, the mastery of the markets and the mastery of the masters lies with the trades unionists. These articles embrace a number of arguments which may be of questionable accuracy, but I am probably right in assuming that as these articles are signed, and have been published by such a journal as *Harper's Weekly*, there can be little doubt of the authenticity of the facts. Here is briefly the summary of the last of the four papers, published on 26th December of last year. Having considered the questions of food, clothing, transportation, and every day interests, it says of them—

The labour unions have unionized everything, and are now unionizing the home—

I shall not quote the whole paragraph, but only such parts as are pertinent to my purpose—

They have complained loudly of tyranny until they have had the opportunity to be tyrannous themselves. We have seen a few of the multitudinous ways in which they have violated the principles of human justice, the constitution of the country, of the State; they have defied the police and the militia and the courts; they have killed and maimed others who opposed them;

they have abused and fined and hounded their own members, and fought relentless duels against rival unions.

Rival unions of employés, not employers—As a result of this warfare, the work of the world is no longer done by slaves or serfs, or by the poor; it is done by autocrats who are not content with a normal and profitable scale of wages, but have forced prices to the breaking point and employers to the point of bankruptcy.

In the first of these articles, the writer alludes to unscrupulous employers as allied with unscrupulous trades unions. The summary goes to show that if this testimony can be trusted, the trades unions in the United States of America are in possession of the field, and are exercising their authority with a violence which calls for the restraint of the law.

Mr. GLYNN.—It does not agree with the report of the British Commission of 1903.

Mr. DEAKIN.—I simply point out that this article was published in New York—in the very State to which it refers—and that it appears under the name of an American, Mr. Keith. It is sufficient for my purpose if it establishes the necessity of bringing both employers and employés under the control of the law, and of endeavoring to obtain the creation of an impartial tribunal which shall mete out even-handed justice between them. It may happen that in some countries in which the law favours the interests of the employers, it would be resisted by that section of the community, while in others, as conceivably in the case of New York, it would be resisted by the employés. But this measure is aimed just as much at the existence of such a condition of things as that to which the article alludes—a condition created by the tyranny of trades unions—as it is to cope with the tyranny of employers. Its object is to forbid tyranny on both sides, and as far as may be possible, to introduce into our industrial system a new standard which shall apply to all the persons concerned, subject to the interests of the whole.

Mr. DUGALD THOMSON.—What about the limitations?

Mr. DEAKIN.—I shall deal with the limitations presently; but, as this measure, whatever its limitations, follows the main lines of the Acts of conciliation and arbitration in force elsewhere, it can be dealt with generally on the basis on which they are founded. It must be admitted that, as was stated when the Bill was before the House last session, it would be idle to attempt to achieve this end by a precise mandate of the Legislature, framed in advance

to apply to all cases and conditions that might occur. The intricacies of the constant changes in and the enormous developments, the rapid transformations, and infinitely varying conditions under which modern industry is carried on, place it beyond the possibility of the grasp of the most expert legislator and of the most enlightened Parliament to endeavour to frame such a piece of legislation. What is sought to be done, therefore, is not, as is popularly supposed and currently stated, to endeavour to declare in an Act of Parliament what wages shall be paid or what conditions shall be observed in any particular trade. That is obviously and transparently impossible. What is sought to be done is to create a tribunal which, having the confidence of the public, and possessing all the knowledge that can be obtained in relation to any matter that may be brought before it, shall have authority to pronounce judgment between the disputants. It is not to pronounce judgment, be it observed, according to the bidding of the statute which creates it. On the contrary, the Court is to be launched upon its work with a larger and more general charter than that of any other Court in the world. This may multiply some of the difficulties of its task, but it will remove immensely more. The Court, when it comes to consider any propositions submitted to it, by way of complaint, either on the part of employer or employé, will look to no section of an Act which bids it fix such and such hours, wages, or conditions. What it will do will be to take evidence of the general conditions already obtaining in the trade in question. It will build upon facts as it finds them; it will take the experience which has wrought out the customs and conditions of employment. It will take these as existing, and endeavour to shape them in accordance with its own conceptions of equity and good conscience, based upon an examination of the facts. Consequently no new element will be introduced. The existing system, with its hours, wages, conditions, and methods will be taken as a guide. Evidence as to these will be obtained by the Court, and they will be modified only in such particulars as may be necessary, according to the judgment of that impartial tribunal, in equity and good conscience. It will thus be seen that there is no breaking away from the traditions of trade. There is to be no antagonism between the new order of things and the old. The endeavour

is to remove, first of all, the difficulties which patently exist here, often in the labour prices paid by different employers in the same country, and even in the same town. Our object is to see that, where other circumstances are equal, one and all shall pay the same and that a fair rate of wage for the same services; that competition, which is the life-blood of trade, shall not drain the life-blood of men. may not be pushed to that extreme, and that the advantage of the employer on the one side shall not be gained over the employer on the other, at the expense of the men, women, and children whom he employs. Equality of treatment in each business is the first end which is sought to be attained. Traders, investors, and capitalists, as between each other should fight fairly. Let them pick their men as they please, and obtain the best ability they can. Having done that, they are to compete against each other by means of the skilled labour they have thus secured, but not at the expense of those whom they employ. Underselling ought not to be occasioned by an unjust lowering of wages, the standard of which cannot always be raised by the workers themselves. In the next place, of course, the measure raises a larger question of equity, not only as between employer and employé, but as between all employers in a particular trade, challenged on the general circumstances and standard of living which obtains in other trades. There are cases in which, from one cause or another, the wages paid in an industry have marched ahead, keeping a reasonable proportion to its prosperity; there are others in which they have lagged behind, and in which there has not been the same equitable relation between the two that characterizes other trades. What is hoped from this measure is that in certain circumstances the laggards shall be brought abreast of the general march of the times and the country, and that within these conditions there shall be reasonable equity as between the different employers, having regard, of course, to the demands made upon them. In seeking these two objects, I do not think that we are setting before ourselves an ideal standard which cannot be attained, or to which, at all events, we cannot hope to advance by degrees. It is all very well to attribute to the promoters of this Bill some of the visionary conceptions which naturally arise when one views the introduction of a new element of humanity into the world of competitive strife.

They are visions which hereafter, heaven helping, may possibly be realized. But they are not prospects on which it is necessary to dwell to-day. I am sure that, so far as the employés are concerned, if we could show them a fair wage being paid throughout each trade in Australia considered separately, and a fair wage being paid as between one trade or form of employment and the remaining employment in the community—if they could see these ends achieved, they would consider that this measure had amply justified its introduction, and that it was loudly called for by many of the circumstances of this new country. Now, allow me to quote, in commencing the examination of this Bill, a very pregnant statement of Mr. Justice Cohen, the President of the Arbitration Court in New South Wales, in the Hunter River case, which may be found in the first volume of the N.S.W. Reports, at page 7—

The basic principle of the Arbitration Act is continuity of industrial employment and operations.

This is the basic principle of this Bill. That is the kernel of the whole of the measure. It is to be found in what is now clause 6—

No person or organization shall on account of any industrial dispute do anything in the nature of a lock-out or strike, or continue any lock-out or strike.

The central purpose of the Bill is to prevent strikes and lock-outs. What is the cause of a strike? Some difference of opinion between employers and employés, so grave that the men lay down their tools and refuse to work, in order, first, to issue a public protest, and next, if they can, to coerce the employer into granting their demands. And what is a lock-out? A lock-out is the reverse. The employer turns his operatives from his factory and locks his door upon them, shutting them out of the employment which they desire, but which he refuses in order to coerce them into granting some demand he has made upon them. These are the modes of war which rend our industrial system to pieces, and will be found, according to the debate of last year, to have cost civilized countries many millions sterling, and many thousands or tens of thousands of lives. The object of this Bill is to peremptorily forbid strikes and lock-outs. What is the radical reform which this measure, if passed, will effect? That there will be no more strikes or lock-outs. I may be told that this is a counsel of perfection, and

that a strike and a lock-out are possible. First of all, this measure imposes very severe penalties on those concerned in either a strike or lock-out, and I believe that the penalties can be made enforceable. There will be found in the Bill, because of the Teralba case and other incidents, new provisions, enabling them to be made more enforceable. But behind these penalties, and behind this Bill, there will be the ever-operating force of public opinion, on which I believe we can rely when once an impartial tribunal has given its judgment. Those who oppose the execution of that judgment will stand no longer, as they do in a strike or lock-out, as the partisans of one side with their own story against another story conflicting with it, the public uninformed as to the merits of either. When the impartial tribunal has pronounced upon the case the public will accept its finding, not that it will be any more infallible than any other human tribunal; but, like our best tribunals, being trained and disciplined and well-informed, it will be very rarely wrong, or, if wrong, then in a very slight degree. The public will have confidence in it, and the force of public opinion will support the execution of the penalties of the law, and will thus make them effective. If it should ever conceivably be proved—it might be among uncivilized peoples—that an Act of this kind was unworkable, it would be time enough then to repeal it. But I submit that among a civilized people it represents a noble effort to lift out of the field of strife and of mutual hatred the keen issues which have severed employers and employed, and to raise them to a higher level in the light of day and by impartial judgment. The Bill substitutes an appeal for a strike, and naturally an appeal to the Court will be a much simpler thing than a strike; can be undertaken by a much smaller number of persons; can be undertaken, if they think fit, on much smaller grounds. It is stated in certain newspapers that the Bill will not settle industrial disputes so much as create them. The answer to that statement is that the Bill will settle industrial disputes brought before the Court, but it must be admitted in all candour that it will thus multiply the industrial disputes on which the attention of the public will be concentrated. These industrial disputes exist at present in silence—in some corner of a city or in some part of this country. The antagonism is there, but the public are ignorant of its existence until a strike calls

Mr. Deakin.

their attention to it. But when we provide a tribunal, like all British tribunals, with its doors wide open to whomsoever may choose to enter, we necessarily provide a means by which the weakest and the humblest as well as the strongest can enter. The cause list is public, and when some critics see a long list of industrial disputes set down they will say that the Court created them. No; the Court revealed them; they existed, and would have remained the festering sores which minister to strikes, and to the bitterness that unhappily prevails between the classes and the masses on too many occasions. If these causes of bitterness are removed, as they may be and can be by the decisions of an able and impartial tribunal, although we shall have revealed more, we shall have cured more, and the state of society will be healthier than it was when we began. I am told that the effect of Arbitration Courts is disastrous to employment, discourages the investment of capital, and generally diminishes the fruits of industry. Here let me make a quotation from the speech of the honorable member for Bland last year, when he put the position in New Zealand after five years' experience of a similar Arbitration Act. Stated briefly, what was that result? Seven hundred fresh factories, 14,000 new employes, £1,000,000 extra paid in wages, £2,000,000 more capital invested in industries, and the output of factories under the Act raised by £2,700,000.

Mr. MAUGER.—It is increasing.

Mr. DEAKIN.—It is still increasing. I endeavoured to obtain later figures, but the New Zealand census is quinquennial, and therefore fuller information is not available. That is why I fall back on the quotation of the honorable member for Bland. In the case of New South Wales I take the figures quoted only the other day by the Acting Premier, Mr. Wise, which have already been laid before the House by the right honorable member for Adelaide.

Mr. G. B. EDWARDS.—Porson used to say—"Verify your quotations."

Mr. DEAKIN.—I am perfectly certain that the quotation of the right honorable member for Adelaide from the Acting Premier of New South Wales was accurate, and I venture to take the latter as the best authority in New South Wales.

Mr. DUGALD THOMSON.—From what source were the figures obtained?

Mr. DEAKIN.—His figures, as he stated, were obtained from the officials of the Government.

Mr. SYDNEY SMITH.—We do not think that he is the best authority in New South Wales.

Mr. DEAKIN.—If my honorable friends were more impartial they would. In New Zealand and New South Wales, where Arbitration Courts have been employed, we have not found any diminution of capital or employment. On the contrary, we have found in both countries a gratifying advance. The experience is short, I admit—it is not final—but so far as it goes it is entirely in our favour.

Mr. GLYNN.—The voluntary system is accompanied by corresponding progress in England.

Mr. DEAKIN.—When we measure the advancement of the voluntary system in England, we also have to deduct the estimated loss on account of the strikes which have occurred from time to time. Then we have to calculate how much greater the actual advance would have been in Great Britain if those strikes had been avoided by some such means as this.

Mr. GLYNN.—There were only three strikes, and 422 disputes last year in England.

Mr. DEAKIN.—The last strike in England, of which I am reminded, was the strike of engineers. Can any one say what was the cost in suffering or in money to the disputants, or what was the loss to the country by the amount of business driven from its shores, in consequence of that strike? But, I now come to the general scheme of the Bill. When our critics remind us of the complexity of modern industry, we are able to point, in this measure, to very little that is hard and fast, and to a great many preparations for the adequate dealing with that complexity, in the immense area over which the measure is to operate, when it operates at all. For instance, in the forefront of the scheme of the Bill there is a Court—a Court in every sense of the name worthy of that title; but a Court which has not yet its parallel in this country, except in New South Wales, and which in the area of its jurisdiction has probably a parallel nowhere, outside the Supreme Court of the United States, and one or two of the courts of great nations. This Court undertakes the adjudication required under the Bill, but if honorable members will look—not now, but when they are criticising the Bill at their leisure—at the 32nd clause they will see there what its first operation will be. Its first line of de-

fence against strikes, so to speak, is the duty of conciliation; only after that is recourse had, where and when it is possible, to arbitration. The procedure of the administration of justice is not adopted until the methods of persuasion have been tried. Those methods are applied first, and must be exhausted before a case comes to arbitration. In New Zealand, as was pointed out last year, the Boards of Conciliation differ from the Courts of Arbitration. Under this Bill they are usually, or may be always, the same Court. When they can be the same Court, the forces that make for conciliation are very much more strengthened than would be the case if a threatened dispute had to come before two different tribunals. In litigation, there is always a chance of a different view when the parties go to different courts; but under this Bill, if the principal Court deals with the same matter, though acting in a different fashion, the parties will realize what the probabilities of the case are before risking an appeal. The Court is first a committee of conciliation and then a court of arbitration. In reference to its powers as to conciliation, I shall presently call the attention of the House to the fact that the Court is clothed with a power with which Judges are not endowed in our ordinary courts, except in very rare instances and to a very confined degree. Here we have connected judicial and administrative duties of the highest importance. The President of the Court must be a Justice of the High Court—clause 12. He receives no extra salary for performing the duties appertaining to the Court—clause 18. He exercises in this Court more authority than a Chief Justice or presiding Judge does in any other kind of court. For instance, a large number of prosecutions cannot be launched without his consent. A number of such cases are covered by clause 6. Either the President of the Court, or the registrar, are required to indorse other prosecutions—clauses 9 and 10. No quorum of the Court can be constituted without the President—clause 22. No majority of the Court can come to a decision unless he is one of the majority—clause 23. He has it in his power to add to his Court, if necessary, a number of experts, limited in number—clause 15. He can, if he pleases, make an entirely new court of experts, presided over by himself, or one of his fellow Judges, or by a State Judge—clause 15, sub-clause 2. He can appoint a deputy—clause 20—clothed with

as much of his power as he thinks fit to depute. He is much more than a Judge, because, under clause 24, the personal duty of attempting conciliation is cast upon him, whenever the public interest may demand it. He is a Court of Appeal, under clause 25, in regard to every action of the registrar; the most important administrative officer, and also a judicial officer, comes under his control. Under clause 46, all the interlocutory applications—that is, the lay members will understand, intermediate applications as to any points in dispute, which are necessary to be determined before the trial of the case takes place—will come before the President, and be decided by him. He may require security to be given under clause 41, if he so desires. He may move the Governor-General to exercise one of the largest powers under this Bill. The Bill depends upon the organization of both employers and employes. It proceeds mainly when its machinery is put into action by them. But if any large body of employers or employes stand outside the Court, and do not register, there is power under clause 69 for the Governor-General to proclaim those bodies organizations under the measure, and when that is done they stand in the same position under the Act as if they had registered of their own accord. Under clause 71, the Governor-General may revoke the power exercised under clause 69. Putting all these powers together, what does it mean?

Mr. MCCAY.—That the President will be a very busy man!

Mr. DEAKIN.—That is another question. Here we have the President of a Court accorded greater powers than the head of an ordinary court ever has, and we have him in addition invested with administrative authority of a very high character. Consequently we have to look for something more than the familiar procedure of our Law Courts to meet the requirements of such a body. I turn now to the clauses with regard to the other members of the Court, who are to be two in number. Under clause 13, it is provided that one of them will represent the employers, and the other the employes. Under clause 16, it is proposed that they shall be appointed for seven years. Upon that point I have a word or two to say, because last year the leader of the Opposition and some other honorable members warmly challenged this proposal. Their alternative suggestion was that a fresh

member should be appointed by the employers and employes for every fresh dispute, and that there should be no such comparatively fixed Court as is here proposed. I hope that the House will not think of adopting that view. I do not believe that my honorable friends opposite will adopt it when they come to give further consideration to the tasks that lie before the Court. As it is, the President is made practically despotic in Court. Nevertheless it will be of immense assistance to him if the advice tendered is not that of men who come there to take their seats for the first time, men innocent of what procedure is to be followed, innocent of the circumstances under which judgment requires to be arrived at, innocent of the relative value to be attached to evidence, and of much knowledge which regular members of the Court will inevitably acquire.

Mr. DUGALD THOMSON.—It would be much better to have men who understand the trade affected.

Mr. DEAKIN.—That object can be attained by the addition of experts.

Mr. DUGALD THOMSON.—Then what is the good of the regular members of the Court?

Mr. DEAKIN.—I was just about to point out. First of all, they will acquire a certain knowledge of the mechanism of trials, and cannot help gaining a knowledge of the value of evidence and of the principles on which the Act is being administered by the presiding Judge. These regular members become sub-colleagues of the Judge, and thus gain knowledge of value. What is very important, the Judge gets to know them.

Mr. DUGALD THOMSON.—I suppose lawyers will be appointed.

Mr. DEAKIN.—Speaking professionally, I think we can never act unwisely in appointing lawyers to judicial positions, but under this particular Bill such a course is not intended. The point is, that if the suggestion to have temporary members were carried out we should place beside a comparatively despotic Judge, men whom he had never seen before, but who would proceed to take part in the case before the Court. The Judge would only know that such men were an employer and an employé in, say, the leather trade, and he could not know to what extent they possessed the judicial faculty of discriminating between

important and unimportant facts, or the further useful faculty of weighing evidence. Such members of the Court would present the additional disadvantage of not giving their whole minds to the Judge, and thus putting the latter in full possession of all the facts concerning them. This would place the Judge at a disadvantage. He would sadly need the assistance afforded by a knowledge of the extent to which he could lean on his colleagues. The President of the Court will need their moral support, particularly in the exercise of a power we have enlarged in the Bill, with an eye to the condition of things obtaining to some extent in New Zealand and New South Wales. I find reported in the newspapers a few days ago some remarks by Mr. Justice Cohen in the Arbitration Court of New South Wales, with reference to the Sydney and Mortlake Gasworks case. The newspaper extract is as follows:—

Mr. Justice Cohen stated to-day that he felt himself utterly incompetent to deal with all the issues involved in the dispute, and expressed the opinion that many of them were of a class that the Court should not be expected to settle.

The other members of the Court were also of opinion that many of the matters in dispute might very well be settled out of Court.

These are the regular members who have obtained an education by sitting in the Court.

Mr. Justice Cohen said it was time the Court took a firm stand. If parties in these disputes were animated by a desire to settle their differences on an equitable basis, and in a give and take spirit, enormous expense would be saved to themselves and the country.

Mr. DUGALD THOMSON.—Mr. Justice Cohen went on to say that none of the three understood the case.

Mr. DEAKIN.—Exactly.

Mr. GLYNN.—English opinion is against the proposal in the Bill, because in the old country there is a belief in experts.

Mr. DEAKIN.—I am glad to hear that there is so much against the proposal, because up to the present nothing I have heard affects my position one iota. Honorable members have not yet heard what I shall attempt to prove, viz., that there must be very large power in the Court, especially when it is only a single Court constituted in the fashion proposed, to brush aside firmly and with authority a number of the appeals made to it. That power, which the Court must be encouraged to exercise, is one which would perhaps be dangerous in an ordinary court of justice,

though it is true that a Judge occasionally and unofficially says to litigants—"You have no business to come here with such a case; settle it amongst yourselves." But such a power is an integral part of this Bill. There is conciliation to begin with, but that conciliation has to be backed up by something more—by the power on the part of the Court to say—"Even if you insist on coming to the Arbitration Court, I decline to hear you; I have on my list some questions that may be properly described as of national importance, and, in order to deal with these cases, as I mean to deal with them, I must brush aside these other cases, which, though important to you, are relatively trivial questions. No doubt, the questions which you desired to lay before me would be proper to be dealt with, if we had a dozen Commissioners and unlimited time, but they are cases with which this Court cannot deal without choking the fountain of justice—without those undue additions to the list which we have seen in New South Wales and New Zealand." We have to trust this Court a great deal; and one thing we have to trust it to do is to discriminate between cases which it ought to hear and cases which, under the circumstances, it cannot hear.

Mr. JOSEPH COOK.—That is to say, to discriminate as to whether the cases are big or little.

Mr. DEAKIN.—To discriminate as to whether cases are important or unimportant. What is termed a "little" case may sometimes involve principles affecting a large area, while a "big" case may turn on a relatively simple point. The question is not whether a case be "big" or "little," but whether it be important or unimportant—the relative importance of the case. It would be too great a burden on a Judge, who, even after he has gained experience, will be mainly a legal Judge, to place on him the responsibility of taking the very strong step of postponing, or, if he could see his way clearly enough, of definitely putting aside cases or dealing with them, not necessarily in the order in which they are submitted, but in the order which he believes to be in the public interest on account of the importance of the principles and issues involved. Without this provision, that difficulty may not arise in this Court, because it is a matter for argument at a later stage as to what will be the amount of business. At all events, if honorable members refer to clause 46, they will see that we are enlarging the power of the Court, so that

it may, for self-protection in this connexion, have the power of controlling litigation.

Mr. JOSEPH COOK.—It will break the Act down.

Mr. DEAKIN.—I think the provision will be found necessary in order to prevent the Act breaking down. In New South Wales, New Zealand, and Western Australia, similar legislation has not broken down, though that result has been threatened, for the very reason that no such section is found in their Acts. It is, therefore, proposed to endow this Court with these large and special powers. Under the circumstances, the Court cannot be constituted of two men, brought together with the Judge to decide a particular dispute. If there were a dispute in the carpentering trade, for instance, an employer and a workman would be brought together for the first time to sit beside the Judge; and how could they lend any weight to his finding that the case was not one of first importance, but could afford to wait? Such members of the Court would be appointed for a particular purpose; and if the plan is adopted of having a "scratch" Court, so to speak, on each occasion, the object of this provision will be defeated, and it will be absolutely necessary, unless we give the power to the Judge alone, to take every case as set down. If disputes do arise all over Australia, as some honorable members expect, a Court of the kind suggested would lead, practically, to denial of justice by the undue postponement of cases. I have indicated the position in passing, and it is a matter for discussion in Committee. In all other Courts, costs naturally impose limitations to litigation, but costs in this Court will not be high, and it is not desired that they should be. Nor is it desired to attempt the unachievable feat of endeavouring to determine what cases shall come and what cases shall not come before the Court. As in the case of other Courts of Justice, those who are affected may be left to decide whether or not they will apply. If honorable members will take the pains, as I have thought it part of my duty to do, to go through the reports of the Arbitration Courts of New Zealand and New South Wales, and, observing the nature of the issues submitted there, weigh them one against another, they will be satisfied that unless some provision of the sort is in the measure and used, the Court will commence its labours with a very severe handicap. It is not this Court alone

which is provided for in the Bill. When honorable members see the tribunals tabulated together, they will be rather surprised at the variety of means which are provided for dealing with disputes which may arise. There is first the Court of which I have spoken, and which may be reinforced, as I pointed out, by a court of experts under clause 15, and superseded by a Court under sub-clause 2 of clause 15. It will be possible for the regular Court, if it feels overweighted, not only to have experts, but also to have assessors according to clause 43. But the work of conciliation does not depend entirely upon the President and his Court. On the contrary, under clause 42 a committee of reference is provided for, which can undertake conciliation in any part of Australia. Under paragraph *a* of clause 44 any State industrial authority willing to act as a State Court, or Factory Board, may be used for the same purpose; and under paragraph *b* of the same clause, a local board may be appointed. We have here three different types of authority, by means of which the Federal Court may depute the work of conciliation to a Court in any part of Australia should the circumstances require it. It will not be necessary in these circumstances for the Court to remove to the scene of strife or dispute.

Mr. GLYNN.—The honorable and learned gentleman proposes to delegate the Federal power to a local body.

Mr. DEAKIN.—This is only as regards conciliation.

Mr. GLYNN.—It is only a part of the same thing.

Mr. DEAKIN.—Arbitration will be dealt with by the Court itself in all cases. When the efforts of these bodies to secure conciliation are exhausted without success, arbitration in the matters concerned will come before the Federal Court.

Mr. GLYNN.—But these matters will be dealt with by different persons, and I understood the honorable and learned gentleman to say that cases arising under the Bill should be dealt with by the same persons.

Mr. DEAKIN.—They should be dealt with by the Chief Court wherever possible. I may say that I am pleased that the honorable and learned member for Angas should act as counsel for the other side, because he is not only willing but fully competent to take all the points that ought to be taken, and some that ought not. He will know as well as I do that with only one

Judge to constitute the Federal Court, because there can be no quorum or majority without him, it would be impracticable to provide that every matter should be personally decided by the Court. When the President is sitting in Perth, for instance, should there be another case ripe for conciliation in Rockhampton, it would be hard to say that the latter case should not be touched until the President could visit Queensland. What we say is that the Court cannot reach every part of the Commonwealth, and should trouble arise in remote places it may be dealt with in this way.

Mr. WATSON.—Not finally dealt with.

Mr. DEAKIN.—No; only as regards conciliation.

Mr. GLYNN.—The honorable and learned gentleman is forgetting that the Federal sphere is very limited.

Mr. DEAKIN.—I shall come to that. Then there are minor tribunals which may also be appointed with a view to giving elasticity to the operations of the Court. Where the Court has registered a finding, and has determined a minimum wage in certain industries, we could not have the President of the Court and his officers waiting to decide any point arising as to the persons to whom the minimum wage should apply. So there is given in clause 48, paragraph *a*, the power to appoint a minor tribunal for that purpose. In a similar fashion provision is made where a preference is given to any particular class of labour or persons. Under paragraph *c* of clause 48 another minor authority may be appointed for that purpose. In addition to this, if evidence is required in regard to the circumstances of an industry at a distance it will not be necessary for the Court to visit the place, as, under clause 45, power is given to appoint a person to take evidence upon certain specified points, which will afterwards be transmitted to the Court.

Mr. WATSON.—It is not contemplated that the members of these minor tribunals will be paid?

Mr. DEAKIN.—The probability is that they will not be paid. They will probably be arranged for by the organizations of employers and employés who will be concerned in the settlement of any dispute. We know that very often, where work is carried on under an agreement, people do not choose to go to a court. They make an industrial agreement between employers and employés, and take power in the agreement to appoint private tribunals to deter-

mine any disputed reading of its terms in order to avoid going to law. In these various matters we seek, as far as possible, to provide for the exercise of the powers of the Court over the whole Commonwealth. I now look at the administrative side. The registrar is the chief officer of the Court. He derives his authority under clause 60, but I will draw the attention of honorable members to the first reference to him in the Bill, which is to be found in the definition clause 4. Under the heading of "industrial dispute," paragraph *b*—

"Industrial dispute" means a dispute in relation to industrial matters

(*b*) Certified by the registrar as proper in the public interest to be dealt with by the Court."

That power is very important. It is aimed at several contingencies, but particularly at what has occurred often in America, and sometimes in Australia, and that is a fight between two unions of employés their employers have nothing to do with. A dispute of the kind occurred, I believe, between the engineers and shipbuilders on the banks of the Yarra, and similar disputes have often occurred in America.

Mr. WATSON.—They have occurred several times in Sydney.

Mr. DEAKIN.—The question arising is whether a particular kind of work is to be done by the members of one union or of another. In order to settle their differences they frequently strike, to the injury of the employers, who are faultless in the matter, who only desire to have the work done, and to whom it is immaterial by whom it is done. That would be a dispute which, in the public interest, ought to be dealt with by the Court; and, therefore, though most of the disputes inquired into will be those between employers and employés, if the employés fall out amongst themselves, or if for any reason a real dispute arises which does not come within the general definition, the registrar is empowered to give his certificate. Beyond that he will have most important work to do. Under clauses 9 and 10 his permission is necessary before suing can be commenced in certain cases. It is his certificate that *prima facie* determines whether a dispute has extended beyond the limits of one State. That is a very important power, and it is open to challenge by those who may be aggrieved. Security may be taken by him under clause 48. The register is placed under his supervision by clause 58. He may refuse to register any union, or a second union if he thinks the first union

sufficient for its purpose, under clause 66. That power would meet the case of the Machine Shearers' Union. He may cancel any registration, under clause 67. He is a most important officer, from whom an appeal in all cases lies to the President. He is a judicial officer, and also an administrative officer; his work will be extremely arduous. In addition to this, I invite the attention of honorable members to clause 49, which provides for inspection. Here will be found an answer to the question—"When is a Court not a Court?" Here is a Court which, in its administrative capacity, undertakes the task of seeing that its awards are carried out, and is empowered to take any and all steps which may be necessary to make this measure a reality, by making awards, given under it, binding. This is secured by the very large powers of inspection conferred in clause 49. When we have made all these provisions of machinery, we have not, by any means, concluded our task, because, under this Bill, as was explained last year, the organizations themselves, the unions of employers on one side, and the unions of employes on the other, for both are included, are sought to be made extensions of the machinery of this Court. The object is, by the organization of employers on one side, and of employes on the other, to enable findings to be binding; to allow the decisions to cover a large area; to prevent isolated disputes, and to enable broad principles and practices to be definitely adopted in particular trades. This is done by organizations created under clause 62, and capable of being registered under that clause. They are the bodies which have the power of referring cases to the Court, under clauses 31 and 72. They are entitled to be represented before the Court, at the argument, under clause 35; they are incorporated under clause 65; their rules require to be such as the registrar approves, and, according to the schedule of this Bill—see also clause 63—and they may have their registration refused or cancelled, as I have already pointed out. By all these ways and means they are, so to speak, constituted a part of the machinery of justice. They are required to administer it with their members, and are enabled so to do. They are required to assist the Court in carrying out its findings, and in working this measure. Because this Bill seeks, as its ultimate goal, the organization of industry on both sides. The one astonishing feature of the experience in New Zealand, so far as I

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am acquainted with it, is the apparent failure of the New Zealand Act to encourage the growth of the organization of employes, at all events. I find that, in 1900, out of 40,000 workmen, 26,000 only were in the unions. In 1901, whilst the number of workmen had risen to 57,000, the number of union men had fallen to 24,000. I have a telegram here, from Mr. Seddon, which I have mislaid at the moment, showing that in 1903 the number of union men was, I think, a little less—23,800 only, as compared with 24,000 in the previous year. I confess that it is a circumstance for which I was not prepared. The New Zealand Act, of course, differs in some respects from this Bill.

Mr. JOSEPH COOK.—Does that mean industrial unions, or all unions?

Mr. DEAKIN.—The unions which are registered.

Mr. DUGALD THOMSON.—They recognise both in New Zealand.

Mr. JOSEPH COOK.—Does the Prime Minister mean unions registered under the New Zealand Act?

Mr. DEAKIN.—Yes. I think that includes all the unions, because I understand that they are all registered.

Mr. JOSEPH COOK.—Necessarily?

Mr. DEAKIN.—Not necessarily.

Mr. MCCAY.—I think they are brought under the Act by virtue of being trade unions.

Mr. DEAKIN.—I must confess that I thought that the operation of the New Zealand Act would have led to an increase in strength on the part of the unions of both employers and employes.

Mr. MAUGER.—One of the fears expressed by the employers is that this legislation will unduly increase the number of unions.

Mr. DEAKIN.—I do not assume that this will be its effect. I do not think it can increase them unduly.

Mr. KNOX.—Notwithstanding the New Zealand experience, the Prime Minister proposes to coerce those who do not wish to join unions by compelling them to come under the Bill.

Mr. DEAKIN.—Only if that be necessary in the interests of justice. If employers or employes do not join unions the Court will take no notice of the fact until a dispute occurs, and it becomes necessary, for the application of the remedies herein provided for its settlement, that they shall belong to a union. Then they may be proclaimed members of a union.

Mr. GLYNN.—The Bill provides for that proclamation, without reference to the existence of a dispute. The power is left with the Executive. I refer the honorable and learned gentleman to the definitions in clause 4.

Mr. DEAKIN.—The proclamation is made by the Governor-General, on the recommendation of the President, as the honorable and learned member will see by referring to clause 69, while clause 71 provides for the revocation of a proclamation. Before disputes come to the Court of Arbitration, they can be decided in a number of ways. Under clause 80, any organization may make an industrial agreement, which, under clause 84, shall be for a period not exceeding three years. Or the Court may intervene by way of conciliation, and an amicable agreement be arrived at under clause 42. This agreement, if in writing, under clause 33, has the effect of an award. Awards under clause 33 (2) last for a term not exceeding five years, unless otherwise specified, clause 36. Under clause 29, the State authority may be ordered to cease to proceed in the matter of a dispute, or its award may be overridden under clause 38. An appeal to the Federal Court may, under paragraph *b* of clause 46, be set aside upon the ground that the State Court is quite competent to deal with it, or can better deal with it, or has dealt with it; but once an award has been made, it stands, unless varied by the Court itself, without appeal to any other Court of the realm. The decision is final, unless, of course, challenged as outside the law altogether. Within its own limitations and the powers of the Court, an award is subject to no appeal. The special powers conferred upon the Court are large. Let me call attention briefly to the chief among them. The first is the power, under paragraph *b* of clause 46, to declare a common rule, by means of which an award may be made to apply to all engaged in a particular trade within any named area, or made binding upon the parties specified, as provided in paragraphs *c* and *d* of clause 37.

Mr. CROUCH.—The area of operation of the common rule is not limited.

Mr. DEAKIN.—I shall come to that. The next large power is the right to fix a minimum wage in certain trades, clause 48*a*; and to grant preferences in them, clauses 48*b* and 46*g*. In paragraph *g* of clause 46 will be found the power to limit the area of operation of any award. It is recognised

that the circumstances of the Commonwealth vary greatly, because of its sparse population and its extreme extent.

Mr. GLYNN.—Does the Prime Minister think that this limitation of operation can be provided for in Federal legislation? We do not wish the Act to be open to challenge on any point.

Mr. DEAKIN.—If provision had not been made for the exercise of this power to limit the area of operation, the Court, in dealing with any dispute, might be compelled to deal with it everywhere in the same way, instead of determining, for example, that a rule which applied in New South Wales and Victoria, should not apply in Queensland and the Northern Territory.

Mr. GLYNN.—It shows the difficulties of the Federal legislation.

Mr. DEAKIN.—Yes, but in industrial legislation for a country so large as Australia, such a provision is necessary. If honorable members will turn to clause 6, they will find that the penalty for doing anything in the nature of a strike or lock-out is fixed at £1,000, and the offences for which imprisonment is the punishment are enumerated in clauses 5 and 55. The enforcement of orders and awards is provided for in clauses 52 to 57. The power of injunction has been extended, though the new clause dealing with the matter will need verbal amendment, as, upon further consideration, it seemed not quite to dovetail in with the others. The subject is provided for in clause 46*e*, and clause 55. I have now concluded this difficult and tedious part of my subject. My remarks, will, I hope, supply honorable members with a convenient index when they desire to criticise the measure for themselves. They must recognise first of all the innumerable and incalculable differences to be encountered in legislating for the settlement of industrial disputes. In making this new departure in legislation, we are entering into a field beset by a thicket of differing and sometimes contradictory conditions. Every employer carries on his business more or less in his own way, and develops his own system, methods, and practices. The success of a business often depends upon the brain power of the man at the head of it, or of the managers he employs, just as its failure is often due to a lack of business ability. But its situation, its proximity to population, to a seaport, or to a water supply,

and many other conditions, affect its success, and its power of extension. Quite independently of the demands of the workmen there is a whole network of considerations surrounding the attempt to lay down anything approaching a common rule. To determine a minimum wage, or to apply any of the general provisions of the measure, the Court must bring within the sweep of its knowledge and consideration all the various conflicting sets of circumstances which determine the extent and character of the employment a trade affords, which affect the wages paid in it, although the demand of the workmen may appear to have nothing to do with them. It was, therefore, felt that any attempt to cope with industries which, in modern times, exhibit a protean rapidity of change and of adaptation to new conditions, arising out of the discovery of new inventions and methods, must fail unless at every point the law is made as elastic as possible. That is why we begin with and rest upon a Court, guided by expert knowledge, whose awards never run for more than five years, and may be amended on application; and is why we provide in all these different ways for the attainment of the ends the Court may desire to reach, instead of binding it to follow one set of rules, as a locomotive is bound to follow one set of rails, off which it cannot run.

Mr. McLEAN.—Does not that indicate the desirability of having an expert to represent each side?

Mr. DEAKIN.—The representative of the employers and the representative of the employés will be general experts, besides which the Court has power to add to itself any number of experts, not exceeding four, in any case requiring an intimate acquaintance with intricate details. Experts may and will also be called as witnesses by the parties concerned. Not only must we have elasticity in these provisions, but we must recognise that the provision as to area, to which allusion has been made, is, in a country like this, one of the most important of all. On merely climatic grounds an award that would be fair in Port Darwin might not be fair in Hobart. It is perfectly obvious also that the cost of living, for instance, at Kalgoorlie, would probably cause the Court to make its award there differ from one applying to Newcastle. It is also plain that the proximity of a supply of fuel, as in the case of Newcastle, or of water power in other instances, and similar circumstances,

might demand consideration. Again, there is the application of the principle that the award of the Court may operate only with regard to a special area.

Mr. GLYNN.—That shows that the question is one for the States to deal with.

Mr. DEAKIN.—No; it shows that the question is one which should be left to the discretion of the Court so as to meet the varying circumstances.

Mr. KINGSTON.—The power to regulate the awards according to local conditions will rest with the Court.

Mr. DEAKIN.—Yes.

Mr. KINGSTON.—Then why need Parliament interfere in that respect?

Mr. DEAKIN.—So far from doing that, Parliament is specially empowering the Court to so frame the awards as to meet local conditions. I am calling attention to all the authority which is given in this respect, because certain criticism has been directed to the impossibility of making full allowance for local conditions. I am now pointing out that these difficulties are recognised, and that they are provided for in advance in this measure.

Mr. FISHER.—The criticisms referred to were based upon misrepresentations.

Mr. DEAKIN.—Of course. But in a matter of this kind one has to allow for a certain amount of innocent misrepresentation, as well as a good deal that is not innocent.

Mr. DUGALD THOMSON.—The Minister must remember that the Bill has never been fully expounded yet.

Mr. DEAKIN.—I hope that this exposition will be full enough for any one.

Mr. McWILLIAMS.—If a State Court were to arrive at a decision and a dispute afterwards overflowed into another State, would the Federal Arbitration Court have power to override the finding of the State tribunal?

Mr. DEAKIN.—The honorable member will find that clause 38 provides that whenever a State Court makes an award which is in conflict with that of the Federal Court, the finding of the latter tribunal rules.

Mr. WATSON.—But if the Federal Court thinks the finding of the State Court is a wise one, it may indorse it.

Mr. DEAKIN.—Exactly. If the Federal Court approves of the finding of the State Court, it can say, "Why do you come to us? The finding of the State Court is

sufficient." Further than this, they can adopt such an award if they think it desirable to do so.

Mr. GLYNN.—The provision is open to challenge.

Mr. DEAKIN.—To put the whole case shortly, we have to recognise that this Court is not administering any statute law with regard to the conditions of labour. This Bill will create the Court and give it general sailing directions. But, beyond that, the facts and customs of trade will determine awards. These may increase or decrease wages. If we could imagine an arbitration court sitting at Canton, we should be safe in assuming that its decision as to a living wage, whilst it might be perfectly fair and equitable so far as Canton was concerned, would still be very different from the decision given by a similar tribunal sitting at New York. We have to recognise the general standard of civilization of a country, and to assume that it is within the knowledge of the Court. But the question for the Court will be how to fix a fair level consonant with that standard, no higher and no lower, for those who are engaged in an industrial dispute as to wages and conditions of employment. To those who believe that the Court is to set to work by interference to create altogether new relations of employment, its work may well appear impossible. It will always take into account the conditions of the place with which it is dealing. When settling a dispute at Port Darwin it would make an allowance for the climatic and other conditions, just as it would do if it were adjudicating upon a dispute at Hobart. I cannot pass from this part of the subject without reference to my previous contention, that if justification be sought for the standards sought to be attained by these means, we must proceed much deeper than I propose to go to-day. I took a superficial glance at this question last year, which leads, as did the admission of the Chinese into the Transvaal, to a fresh scrutiny of the very foundations of industrial society. Only by a re-consideration of the principles upon which its progress has taken place, shall we be able to interpret or justify this measure. In this way alone can we justify the assumption of a living wage and a white man's standard of living, insisting that the working creature, whether man, woman, or child, is entitled to be considered, not as a cog-wheel in a machine, but as a living human being, endowed with an immortal soul.

These are the considerations upon which, in legislation and administration, our ideals of modern social justice are based. Unless honorable members are prepared to admit so much, I grant that their antagonism to this and to all other legislation of the same class may be logical. The motives and spirit of this measure are not to be found in mere mathematics or balances of profit and loss. We agree with Liszt, the great German, whose protest may be translated into the aphorism—"Account-books have no conscience." To look at their account-books and see whether a profit or loss has been occasioned is all that the merchant or trader as such is called upon to do, and he is not to be blamed if he stops short at that. But the community would be to blame if they did not go further, because the profit may have been gained by an unnatural deterioration of the race by a degradation of the men, women, and children engaged in an industry. On the other side, the fact that the profits of the merchant are reduced may be a good thing, even in the interests of the employer himself, if he is to live as a man among men with a proper appreciation of their aspirations, instead of regarding those whom he employs as the insensate pawns of his selfish will. This Bill starts with a confession that it is based on a humanitarian interpretation of the principles and obligations which form the very basis of civilized society. It leaves to its opponents the creed whose God is greed, whose devil is need, and whose paradise lies in the cheapest market. No one anticipates that one piece of legislation will be sufficient to achieve our ideal. This is but a fragment of what will be needed. Again, no one supposes that the industrial world in Australia or anywhere else can be re-organized by legislation. We all feel that social progress must be tentative and slow. Although we have legislation in two or three States to guide us, this measure must be largely experimental, and will probably require amendment in the future. After having made a careful study of the Bill as it came from the hands of my former colleague, the right honorable and learned member for Adelaide, I have found it necessary to make few amendments or additions. Such alterations as are made are few and trifling when compared with the complete scheme. I am quite prepared for additions and modifications in the future, but have not considered

more necessary at this stage. We know that, bold as is this measure, its full application cannot be a matter of a few days, or months, or years. We look forward to it with most hope because it plants the seed of a new principle, which I trust will expand in the industrial affairs of the Commonwealth. We have the experience of only two, or at the most three, States — if Victoria be counted by reason of her factory boards—to guide us in this matter, and upon this we have been obliged to draft a measure which will apply to the whole of Australia under certain conditions. It is provided that wherever a dispute extends beyond one State, the jurisdiction of this Court will begin. These cases may be numerous, or they may be extremely few. That will depend, not upon us—because this measure has been drawn upon the most comprehensive lines—but upon the interpretation put upon its charter in the Constitution. The scope of this measure provides for all possible contingencies that can be foreseen. It provides elaborate machinery for meeting them. It carries an enormous load. I venture to think that as it stands now it is weighted to the lowest load line of safety. If we add to the difficulties by which we are surrounded in applying this Bill, by attempting to place more contentious provisions within it, that attempt will be made at the risk of the measure itself and of its effective administration. Those who are most anxious for its passage should not desire to add to the stress imposed upon the judicial and administrative machinery we create under it. They should rather seek to minimize that stress, recognising that the cases in which the Federal Court will be called upon to intervene will be those in which—at all events, in some instances—a great industrial conflict has begun, which has passed beyond the bounds and power of any one State. It will then be the duty of the Federal Court to step in and grapple with the dispute.

MR. DUGALD THOMSON.—Is that the full scope of the Bill?

MR. DEAKIN.—I think so. It will require all the powers which have been included, supported by all the self-governing capacity of our people, together with their law-abiding instincts, to cope under it with some of the conflicts such as we have witnessed in the past, which have shaken this continent from corner to corner. Under

these circumstances, if we recollect the friction that has been occasioned in New South Wales and even in Victoria by legislation of this character, we must feel the need—whatever may be our ideals and hopes of proceeding upon this road with circumspection and caution. We should not create unnecessary strife nor invoke conflicts, especially those of a deeply serious character. This brings me to the question of the desirableness of including within the provisions of this measure the public servants of the States, particularly their railway servants. In that regard I have first to clear away one or two misapprehensions which have been made evident by some of the speeches delivered in this House. The first is, that either my colleagues or I entertain antagonism towards the public servants of the States, and especially their railway servants. During a life of twenty years in the Victorian Parliament, I was associated with the public servants of this State, without, as far as I can remember, any cause of difference. With the railway servants, owing to my constituency, I was in continual touch, and am not aware that I ever exhibited want of sympathy with them in their legitimate desires. It is neither from want of good will to them, nor because of anything which has since happened in this State, that I have adopted my present view. It has no reference whatever to them. I look back upon the unhappy strike of the Victorian railway employés with the deepest and profoundest regret. I admit that they had received provocation, and pass no judgment upon their cause, but assert that no real relief for them is to be found by the opening of any door in this measure. As a whole, the public servants, and the railway employés, of Australia have less to hope from a Court of arbitration than any other class of employés in the community. I do not say that they have no grievances—reasonable grievances—which call for redress, and which will be redressed; but I do say that their grievances are comparatively small, when measured with the grievances of those who are outside Government employment. Whatever the States Parliaments may have done, at least they have been generous to their employés, with the consent of their people, and at their instigation. If in one or more States they have fallen short in any particular, it has not been with the consent of the majority of the people. Moreover, they have a real and ready remedy close to them. I have

also to point out that rarely, if ever, can the disputes of public servants, or of States railway servants, become "Federal" in the sense contemplated by this Bill, because to do so they must "extend beyond the limits of any one State," and of course there are no employés of a particular State except within its own borders. Consequently, considering the comparatively little which they have to gain, the steady nature of their employment, and the urgency of the demands without, it appears to me that to risk this Bill because they are not at once included within its provisions would partake very much of that recklessness displayed by some captains of great steamers costing millions of money, and intrusted with hundreds of lives, when in order to save a few hours on their journey they steer very near to the dangerous reefs of a rockbound coast. There is one more misapprehension to remove, and then I shall have finished. My objection to including within the provisions of the Bill the public servants of the States was not the outcome of any suggestion on the part of any person outside the Cabinet. It is true that public protests were made against the proposal, first by the Premier of Victoria and afterwards by other Premiers. But the first protest was made long after this subject had been discussed at Cabinet meeting after Cabinet meeting, and long after I had taken up the position from which I have never since been able to swerve. It was because I thought, looking at this question as a lawyer, that it was not competent for us to include the public servants of a State within the provisions of this measure, as well as because I deemed it most impolitic, that I raised my objection to the proposal directly it was drafted.

Mr. CROUCH.—Does the Prime Minister mean "competent" or "expedient?"

Mr. DEAKIN.—I have repeatedly said that it is neither competent nor expedient. I ask honorable members, who have spoken lightly upon this subject, and who have approached me as if it were a small matter—"Can they think that either my colleagues or myself regarded it as a light matter, when, because of it, and because of the constitutional objection which we entertained to making the provisions of the Bill applicable to seamen on foreign-going ships, we had to lose one of our most valued colleagues?" Should we have acted thus, lightly, when by so doing we rent asunder a Cabinet which had lasted for three years, the

members of which were upon the most amicable terms? Should we afterwards have gone to the country—as I went, on behalf of my colleagues—and declared in our programme that we regarded the constitutional objections to this course as "the most grave" and its adoption most inexpedient, if it had been a matter that we could pass by, having the knowledge that many of those who ordinarily agree with us were not able to support us? Should we have come back from the country, ready to stake the important policy which we have unfolded, as well as the life of the Ministry, upon a proposition of this kind, had it not been of extraordinary and overwhelming magnitude? This is my answer, as politely as possible, to those appeals which have been made to me upon the supposition that some mysterious constraint has prevented me from accepting the amendment. The proposal is one to which I should gladly assent, if the railways were ours, or if we had not a Federal Constitution, and were not bound to abide by it. Why do I attach so much importance to this proposal? It is not to be supposed that a Court of this kind would deal otherwise than justly. If the demands of the railway servants were comparatively small, there would be little to give to them. It may not mean much in money to the States. But this question is important, because, so far as I can judge, it touches the very vital principle upon which a Federal Government, a Federal Parliament, and a Federal community are founded. That principle defines the reciprocal obligations of the States and the Commonwealth to each other. This is a Commonwealth which has been created of and from States, and in which the States are intended to remain distinct entities, out of whose union new and imperative duties arise—those of the State to the Commonwealth, and those of the Commonwealth to the State. Anti-federalists, demanding what they call States rights, pushing them to the extreme, exhibit those centrifugal forces, the unchecked result of which would be to reduce our union to a mere scattered group of units. Those, on the other hand, who are, so to speak, anti-State—those who yield to the centripetal forces which draw towards the centre of union at the expense of the States—seek not union, but unity. Although it may seem at first a matter of comparatively theoretical moment, yet it is the preservation of that poise and balance

between the centrifugal and centripetal tendencies which makes the true federalist at one time the antagonist of State aggression, and at another time the antagonist of the undue aggrandisement of the central Government. In the poise and balance of the two lies the very essence of the life of a Federal Constitution, as in the solar system the planets move in their orbits, neither falling into the sun to be consumed, nor passing into outer space. How is it that this arbitration scheme approaches near to the vital problem? In the working out of this Constitution, we are confronted with a number of difficulties to which I do not desire to allude except in passing. This was intended to be an absolutely Federal Constitution; I do not say that it is perfectly Federal. We deliberately departed from that intention and inserted provisions, especially financial, which may in the future destroy that balance of which I have spoken. But the main intention of the Constitution and the spirit of its whole creation was Federal—that the States should remain in their integrity, except so far as they were limited by the Constitution, and that the Commonwealth should enjoy no more than was specifically given to it; in that lies the very essence of our form of government. The Federal principle, exceptions excepted, was embedded in the Constitution to the best of our power, and must raise from time to time constitutional questions. I always feel a disinclination to dwell on the constitutionality or unconstitutionality of a provision for two reasons. First, because until the Courts have decided, it is a matter of opinion, and secondly, because directly you tell a House that it cannot do a thing, it says, "Well, I think I will try." When, therefore, face to face with the two constitutional questions raised by my late colleague, the right honorable member for Adelaide—that relating to the seamen, and that relating to the public servants—I was obliged to argue the case of the seamen almost wholly from the stand-point of constitutionality; on the other question I preferred to argue then, as I do now, not only from the side of its constitutionality and legality, but from the side of its policy and its wisdom. Because, in this case, happily for me if I succeed in making myself clear to the House, I hope to be able to show that I do not rely upon a dry technical interpretation of the law, a reference either to doctrines or to legal arguments which only appeal to the professional

Mr. Deakin.

man, but upon a clear, plain statement of the inherent conditions of any Federal system. That ought to enable us to determine whether the power of including State servants in this Bill is within or without the Constitution. I have never had any doubt, in or out of the Cabinet, last year or since; for reflection has only strengthened my own opinion that this proposal is unconstitutional, as well as practically unwise. I have spoken with diffidence, because I have against me the opinions of three lawyers to whom I pay great respect. The first is that of my late colleague, the right honorable member for Adelaide; the second that of the honorable and learned member for Northern Melbourne, and the last is that—although only expressed by implication—of the honorable and learned member for Darling Downs. When three authorities of their rank are found, as far as I know, clear in the view that this proposal is within the Constitution, I have always thought, and still think, it due to them to speak with the necessary respect of that difference of opinion, when indicating my own. As yet the constitutional question has not been exhaustively studied in the House; it will require to be now and often afterwards. Honorable members will realize that it was because grave doubt existed that last year the Government put in a clause excluding the public servants. From my individual point of view the clause need not have been put in that Bill. The same qualification that we have put in this Bill need not have been inserted, because, as I told the House last year—

I have very grave doubts whether this clause carries us any distance. I have considerable doubt whether, if this clause was not included, the public servants of the States could be brought within the jurisdiction of the Federal tribunal. But I inserted the clause because I thought it was due to the House to tell them frankly what the effect of the law would be, whether the clause were inserted or not.

If my then colleague, the right honorable member for Adelaide, held the opinion that with the clause out the public servants would come under the Bill, while we held that with the clause out they would not come under the Bill, it was clear that the House could not be presented with any definite means of declaring its will.

Mr. KINGSTON.—I think that the honorable and learned gentleman is mixing two points.

Mr. DEAKIN.—My honorable and learned friend can refer to my speech.

Mr. CROUCH.—What is the good of the House declaring its will if it will have no effect?

Mr. DEAKIN.—The House is asked to declare its will, though if it agrees with us it will only declare the Constitution. It will not alter the law of the Constitution if we say that the public servants do not come within the Bill, because in my opinion they cannot, and do not, whether it is so stated or not. I thought that this was the frankest course to take, because otherwise we should have had two contrary interpretations of its absence placed before the House, and that would have been an entirely unsatisfactory method of procedure. The House means either to put in the State servants if it can or to leave them out.

Mr. MAUGER.—Suppose that they were left out what would be the effect?

Mr. DEAKIN.—In my opinion the public servants would not be under the Act. The High Court would decide the question.

Mr. MAUGER.—Is not that the solution of the difficulty?

Mr. DEAKIN.—Yes; we must leave it to the Court, but, nevertheless, a duty rests upon us having a strong and clear opinion, right or wrong, to say what that opinion is, and my opinion is that such a provision is unconstitutional. I am about to ask the House to look for a moment or two at the Constitution itself. Among the powers with which this Parliament is endowed by section 51 is that contained in sub-section 35, which enables us to deal with—

Conciliation and arbitration, for the prevention and settlement of industrial disputes extending beyond the limits of any one State.

It may be said that there are seven very interesting words in that sub-section which will command some consideration. The words "conciliation and arbitration" need comparatively little attention, but the word "prevention" may require a good deal. The honorable member for Angas takes a view of that significance which, if it were correct, would render it necessary to cut out a number of clauses in the Bill. "Settlement," the next word, is fairly clear. "Industrial" is not clear. What are and what are not "industrial disputes" is a question on which there must be argument. It may be contended that no disputes in which States employés, or those of a public authority are concerned, can be industrial disputes, and other readings of the word

are also possible. The word "disputes" is fertile, useful, and general; but it will require a limitation when it comes to be applied. Finally, we have the words "extending beyond the limits of any one State," which, in German or Welsh, could be put in one word, the seventh.

Mr. G. B. EDWARDS.—That is the greatest difficulty of all.

Mr. DEAKIN.—It is a difficulty which confronts us at the outset.

Mr. WATSON.—It does not touch the question of whether it is proper to bring States servants under the provisions of the Bill.

Mr. DEAKIN.—I am making a slight detour in order to more rapidly approach that question. What is the meaning of the words "extending beyond the limits of any one State?" That is a phrase which occurs in two or three other parts of the Constitution. In sub-section 13 of section 51, we find that the Commonwealth has power to deal with—

Banking, other than State banking; also State banking, "extending beyond the limits of the State concerned,"

while under sub-section 14 we have power to deal with—

Insurance, other than State insurance; also State insurance, "extending beyond the limits of the State concerned."

In both these instances the meaning of the words to which I refer seems to be that banking and insurance, even if they relate to State banking and insurance, can be dealt with only when they extend beyond the limits of the State in question. One very patent reading of the phrase is that it confers no power on the Commonwealth to deal with the questions of banking and insurance within the limits of a State, however much they may overflow. The narrowest interpretation of sub-section 35 would read it in the same light. It is possible grammatically to read the words—

Conciliation and arbitration for the prevention and settlement of industrial disputes extending beyond the limits of any one State,

as meaning the right to deal only with an overflow beyond the State of origin.

Mr. KINGSTON.—Does the honorable and learned gentleman seriously put forward that view of the sub-section?

Mr. DEAKIN.—I am putting it seriously as the narrowest reading, and as one of the margins within which we must move.

Mr. WATSON.—It would throw discredit on the Convention if it intended what the reading suggests, and yet did not say so.

Mr. DEAKIN.—As has already been remarked, the intention of the Convention does not affect the question. It did not intend that, and it did not intend to bring public servants within this class of legislation; but it may have made both possible. The widest interpretation of the sub-section would be to say that when it refers to disputes extending beyond any one State, it alludes only to the "arbitration"; and that the "conciliation," or even anything that can be deemed to be in the nature of "prevention," may take place within the State. Thus while the narrowest reading would wholly exclude the State of origin, the widest reading would bring in the State of origin altogether, and enable us to commence to conciliate, and, if necessary, to deal with an arbitration dispute in that State in order to prevent it extending to any other State. These are the margins within which we move.

Mr. McCAY.—The widest reading is at least as unlikely as the narrowest.

Mr. DEAKIN. — This brings us to that crucial Federal issue: what are the limits of Federal and State power? We find an allusion to these in another part of the Constitution; and, although it may be somewhat irrelevant, it is, perhaps, as well to mention it. The one class of cases on which an appeal to the King in Council is taken only with the consent of the High Court, are those cases—

howsoever arising, as to the limits *inter se* of the constitutional powers of the Commonwealth and those of any State or States.

Mr. KINGSTON.—The honorable and learned gentleman is referring to section 74 of the Constitution.

Mr. DEAKIN.—Yes. Cases which come within that provision fall within the principle to which I have already alluded as the essential principle of a Federal Constitution. They are questions *inter se* between the Commonwealth and the States, which go to the King in Council only with the consent of our High Court. The Commonwealth and the States are specifically dealt with in one particular; that is to say, they have their rights defined in regard to the very important matter of the second power of taxation of the Commonwealth. Sub-section 2 of section 51 deals with the Commonwealth's second power of taxation

—a power limited by section 114, which provides that—

A State shall not, without the consent of the Parliament of the Commonwealth . . . impose any tax on property of any kind belonging to the Commonwealth, nor shall the Commonwealth impose any tax on property of any kind belonging to a State.

Here we have, on the face of our Constitution, a recognition that one of the very greatest powers of the Commonwealth—the power of taxation—is limited in regard to a State, and that the otherwise unrestricted power of taxation which has been left within the discretion of the States is limited, with regard to the Commonwealth. In this way we have, embodied in our Constitution, a recognition of a delimitation of Federal and States powers which does not exist on the face of the United States Constitution, by which the Convention was largely guided. But, still that delimitation does exist under the Constitution of the United States, because it has been deduced from its Constitution by necessary implication as the one essential of a Federal Government. I trust that honorable members will see the force of that point. I propose to trouble the House for a moment or two with a few extracts, to show the importance that is attached to this Federal principle in the United States of America. It is to be remembered that the power of taxation is, in many respects, the greatest that any Government can enjoy. Without it no Government can live; and it can be exercised so as to accomplish many purposes. The power of taxation, as Marshall puts it, is the power to destroy; it is also the power to build up. It is the most indispensable power. I will read what Mr. Justice Nelson said in *Collector v. Day*.

It is admitted that there is no express provision in the Constitution that prohibits the Governor-General from taxing the means and instrumentalities of the States, nor is there any prohibiting the States from taxing the means and instrumentalities of that Government. In both cases the exemption rests upon necessary implication, and is upheld by the great law of self-preservation; as any Government, whose means employed in conducting its operations, if subject to the control of another and distinct Government, can exist only at the mercy of that Government.

That is a statement that, although nothing to that effect exists in the Constitution, the Judges of the Supreme Court of the United States thought it necessary to lay it down as a law of self-preservation of the Union, without which the Union itself would be dissolved.

Mr. G. B. EDWARDS.—That would not govern Customs taxation. Google

Mr. DEAKIN.—No, that arises out of a separate grant. I may point out, to give a clue to the argument which I intend to follow, that if the Conciliation and Arbitration Bill embraced public servants, a decision of the Court might have the effect of raising their wages. That would increase the taxation of the State in which they were employed. It would impose a new obligation upon the States which does not now exist. Or, the Court might lower their wages; in that case the men would not receive the amount of money which the Parliament of the State had voted for them. Or, the Court might so alter the conditions of employment as to require a greater number of people to be employed. Any decision of the Court might, by increasing the number of men employed, increase the amount of taxation, or, by decreasing their number, diminish it. But the point is that the creation of such new obligations upon the States is equivalent to a power of taxation. In the same judgment from which I have quoted, though in another part of it, Mr. Justice Nelson went on to give a graphic explanation of a Federal system—

The general Government, and the States, although both exist within the same territorial limits, are separate and distinct sovereignties, acting separately and independently of each other, within their respective spheres. The former in its appropriate sphere is supreme; but the States within the limits of their powers not granted, or, in the language of the tenth amendment, “reserved,” are as independent of the general Government as that Government within its sphere is independent of the States.

And then—omitting some words—he proceeds—

Such being the separate and independent condition of the States in our complex system, as recognised by the Constitution, and the existence of which is so indispensable, that, without them, the general Government itself would disappear from the family of nations, it would seem to follow, as a reasonable, if not a necessary consequence, that the means and instrumentalities employed for carrying on the operations of their Governments, for preserving their existence, and fulfilling the high and responsible duties assigned to them in the Constitution, should be left free and unimpaired, should not be liable to be crippled, much less defeated, by the taxing power of another Government, which power acknowledges no limits but the will of the legislative body imposing the tax. And, more especially, those means and instrumentalities which are the creation of the sovereign and reserved rights, one of which is the establishment of the judicial department, and the appointment of officers to administer their laws. . . . We have said that one of the reserved powers was that to establish a judicial department; it would have been more accurate, and in accordance with the existing state of things at the time, to have said the power

to maintain a judicial department. All of the thirteen States were in the possession of this power, and had exercised it at the adoption of the Constitution; and it is not pretended that any grant of it to the general Government is found in that instrument. It is, therefore, one of the sovereign powers vested in the States by their Constitutions, which remained unaltered and unimpaired, and in respect to which the State is as independent of the general Government as that Government is independent of the States.

Mr. O'MALLEY.—A State is only a political convenience.

Mr. DEAKIN.—So is the Commonwealth. The States had their railway laws, their Railway Departments, and their railway employes, before the Constitution of the Commonwealth was framed; and there is no word in our Constitution which implies that the States parted with their power.

Mr. FISHER.—They also had their private employers.

Mr. DEAKIN.—With which we are here specially authorized to deal as the States have dealt with them under their State arbitration laws. Our Constitution is based upon that of the United States.

Mr. WATSON.—With large departures.

Mr. DEAKIN.—Yes; but our Constitution being so founded, it may be thought that Canadian precedents do not concern us. Nevertheless, the Canadian precedents have much value for us. It is true that our Constitution was only carried, because we departed from the Canadian precedents. But the judgments of some of the Canadian Judges are valuable, as expressing their view of the American law, and also because, notwithstanding the greater power of the Dominion Parliament as compared with ours and the more limited powers of the Provinces, the same principle is recognised, under which they mutually abstain from taxing each others means and instrumentalities. That principle is followed in both the Canadian and the United States Constitutions, without the clear leading which is to be found in ours. In *Leprohon v. Ottawa*, Chief Justice Harrison thus summarized the United States law—

The principles to be deduced from the (American) cases appear to be that the National Government and the State Governments are, as it were, distinct sovereignties; that the means and instrumentalities necessary for the carrying on of either Government are not to be impaired by the other; that as the power to tax involves the power to impair, the exercise of such a power by the one Government on the income of the officers of the other is inconsistent with independent sovereignty of the other; and that in such cases

exemption from taxation, though not expressed in the National Constitution, exists by necessary implication.

And Burton, J. A., in the same case on appeal, said —

For the same reason, although for some time a different opinion prevailed, the National Government cannot tax the agencies of the State Government. The same supreme power which established the departments of the general Government determined that the local Government should also exist for their own purpose, and should retain their original powers, except in so far as they were granted to the Government of the United States.

The original powers of our States are intended to be equally inviolate. Again, Mr. Justice Hunt in the *United States v. the Railroad Company*, 17 Wallace, p. 327, said—

There is no dispute about the general rules of law applicable to this subject. The power of taxation by the Federal Government upon the subjects, and in the manner prescribed by the Act we are considering, is undoubted. There are, however, certain departments which are excepted from the general power. The right of the States to administer their own affairs through their legislative, executive, and judicial departments, in their own manner through their own agencies, is conceded by the uniform decisions of this Court, and by the practice of the Federal Government from its organization. This carries with it an exemption of those agencies and instruments, from the taxing power of the Federal Government. If they may be taxed lightly they may be taxed heavily; if justly, oppressively. Their operation may be impeded and may be destroyed, if any interference is permitted. Hence, the beginning of such taxation is not allowed on the one side, is not claimed on the other.

The railways are agencies—are almost the chief agencies—of the States. We cannot begin to touch them in this way. Once more, Cooley, in his *Constitutional Law*, cited U.S. Reports, No. 157, p. 602, says—

The power to tax, whether by the United States or by the States, is to be construed by the light of, and limited by, the fact, that the States and the Union are inseparable, and that the Constitution contemplates the perpetual maintenance of each with all its constitutional powers, unembarrassed and unimpaired by any action of the other. The taxing power of the Federal Government does not therefore extend to the means or agencies through or by the employment of which the States perform their essential functions, since, if these were within its reach, they might be embarrassed, and perhaps wholly paralyzed by the burdens it should impose.

Have we the power to embarrass or paralyze the railway development or management of a State? Again, the same writer says—

As the States cannot tax the powers, the operations, or the property of the United States, nor the means which they employ to carry their powers into execution, so it has been held that the United

States have no power under the constitution to tax either the instrumentalities or the property of a State.

Finally, in the great United States income tax case, *Pollock v. Farmers' Loan and Trust Company*, U.S. Reports 157, p. 560, recently decided, the following passage was quoted from a decision by Mr. Justice Chase, in *Lane County v. Oregon*:—

The people of the United States constitute one nation under one Government, and this Government, within the scope of the powers with which it is invested, is supreme. On the other hand, the people of each State compose a State, having its own Government and endowed with all the functions essential to separate and independent existence. The States disunited might continue to exist. Without the States in union there could be no such political body as the United States.

The States are essentials as units to form the Federation. They must be preserved as such, for the reason laid down by the great Marshall, when, in a very few words, 4 Wheaton, p. 429, he alluded to the principle that neither should tax the other—

We have a principle which is safe for the States and safe for the Union. We are relieved, as we ought to be, from clashing sovereignty; from interfering powers; from a repugnancy between a right in one Government to pull down what there is an acknowledged right in another to build up; from the incompatibility of a right in one Government to destroy what there is a right in another to preserve.

MR. HUTCHISON.—Does that which applies to the States in this connexion apply also to the municipal bodies?

MR. DEAKIN.—Not as against their State; municipal bodies are creatures of the State Legislature, which may, at any time it pleases, modify the law in regard to them. The Commonwealth is not endowed with the power of extending or reducing the States powers; they are conserved in the Constitution which only the Imperial Parliament, or the people of Australia, by amendment, may alter.

MR. G. B. EDWARDS.—Has the Prime Minister considered the position of the Swiss Cantons in regard to education under the laws of the Confederation?

MR. DEAKIN.—I have only one observation to add before I leave the passage in the judgment of Mr. Justice Marshall, who, in another part of his remarks, indicates one difference which may hereafter become important. The extract from the judgment is as follows:—

The difference is that which always exists, and always must exist between the action of the whole on a part, and the action of a part on the whole, between the laws of a Government declared to be supreme and those of a Government which, when in opposition to those laws, is not supreme.

Mr. O'MALLEY.—Hear, hear ; that covers everything.

Mr. DEAKIN.—That covers nothing that the honorable member desires ; but it is a necessary qualification in regard to possible developments. Speaking from memory, I think that the case of the Swiss education grant rests on a different footing, and that its constitutionality is still contested. As the honorable member for South Sydney knows, the Swiss Court has not the same separateness from politics as the High Court of Australia, or the Supreme Court of the United States ; neither is the Swiss Constitution in this respect on a par with either the American or the Canadian Constitution. Speaking without book, I am unaware that this principle of reciprocal recognition of Federal rights, which lies at the foundation of Anglo-Saxon Federal Governments, has ever been acknowledged in its completeness in Switzerland. Why I burden the House with the quotations I have read is to show how highly the reciprocal limitation of State and Federal powers *inter se* is prized, and how emphatically it is expressed by important authorities on the American Constitution, which is, if anything, less unitary than ours, and also under the Canadian Constitution, which, again, is decidedly more unitary than our own. We, standing between those two Constitutions, have no other warrant than they have, looking at our Constitution as a whole. We have only this particular sub-section (35), with its large general words as to industrial disputes. The only claim that we have to exercise this power must be based on this particular sub-section. Apart from this, I submit that the whole of our Constitution, like those of the United States and Canada, will require to be interpreted on the principles laid down in the United States and Canada, if it is to be interpreted in harmony and in a Federal spirit. Let me refer honorable members to some other parts of the Constitution, and briefly call their attention to the development of the argument. Section 107 is as follows :—

Every power of the Parliament of a Colony which has become or becomes a State, shall, unless it is by this Constitution exclusively vested in the Parliament of the Commonwealth or withdrawn from the Parliament of the State, continue as at the establishment of the Commonwealth.

The remaining words do not apply. Here we have the two requirements—the power is to be exclusively vested in the Commonwealth, or withdrawn from the States.

No one can claim that the power in regard to the railways has been exclusively vested in the Commonwealth. Section 52, sub-section 2, deals with the States Departments which were transferred to, or exclusively vested in the Commonwealth.

Mr. KINGSTON.—Does the Prime Minister contend that a State can legislate in regard to an industrial dispute extending beyond the limits of any one State?

Mr. DEAKIN.—No.

Mr. GROOM.—A new power is created.

Mr. DEAKIN.—It is sought to create a new power. It is expressed in the Constitution, but there is the fact that no such power, and no such vesting, occurs elsewhere. The power is not exclusively vested in the Commonwealth, and no one can claim that the powers in regard to the railways have been withdrawn from the States.

Mr. WATSON.—Neither has the power in regard to arbitration, and therefore, the whole Bill falls.

Mr. DEAKIN.—No ; that is not a necessary deduction from my argument.

Mr. WATSON.—Neither has the power been vested in the Commonwealth.

Mr. DEAKIN.—That is the point I am arguing—it is neither vested in the Commonwealth, nor has it been withdrawn from the States.

Mr. WATSON.—Then the whole Bill is wrong.

Mr. DEAKIN.—No ; an express power is vested in the Commonwealth to legislate for conciliation and arbitration.

Mr. WATSON.—Without limitation, except as to the area over which it extends.

Mr. DEAKIN.—But without express extension to the States services. If honorable members look at the rest of the Constitution they will find that section 114, which may first be glanced at, provides that the Commonwealth may not tax the property of a State, nor a State the property of the Commonwealth. If we raise the wages of the railway employes are we, or are we not, taxing railways which are the property of the States?

Mr. KINGSTON.—If the Federal Estimates are increased, are the States taxed?

Mr. DEAKIN.—No. They might be taxed because we are expressly entitled to take one-fourth. We are not free to go further, so as to affect their taxation. We must then raise more money ourselves.

Mr. McDONALD.—Do not the States tax the Federation?

Mr. DEAKIN.—That point is not settled, some cases in which the question is involved being before the High Court.

Mr. G. B. EDWARDS.—An Inter-State Commission might by its decisions increase the taxation of the States.

Mr. DEAKIN.—Naturally, and that is a point with which I shall deal. The creation of an Inter-State Commission is an express power conferred by the Constitution for that purpose, but that with which I am now dealing is not an express power for State taxation. I quite realize the force of the point made by the honorable member for Bland; it is one I have considered. The honorable member says that in the matter of conciliation and arbitration we are given power to legislate with the one limitation of area.

Mr. KINGSTON.—But within that area the Commonwealth is given exclusive power.

Mr. DEAKIN.—Only by overriding the States. The Commonwealth is not given exclusive power to legislate on conciliation and arbitration; the States still retain the power. Unless an award of the Commonwealth Court comes into conflict with a State award they are not affected.

Mr. KINGSTON.—Whenever a dispute extends beyond the limits of one State, the power of legislation is given to the Commonwealth exclusively.

Mr. DEAKIN.—No; a power is given to the Federal Court if the Court chooses to exercise it by award; but if the Commonwealth Court chooses to exercise the power in such a way that the award does not come into conflict with a State award, the latter stands.

Mr. KINGSTON.—The power to legislate and to constitute a Court to deal with disputes extending beyond the limits of any one State is vested in the Federal Parliament only.

Mr. DEAKIN.—The word "only" is better; I objected to the word "exclusively." If honorable members glance at the remaining powers in section 51, I think they will perceive what my contention is. In every case where it was necessary to bind the States in that section, we find the States specifically referred to, though in sub-sections 13 and 14 they are specially exempted. If honorable members run through the different sub-sections they will find that the limitations throughout are made by reference to the States. As a rule, where the States are intended to be bound they are specifically referred to, and where

the States are not specifically referred to, they are not intended to be bound. Let us take the particular case which most exercises the minds of honorable members, namely, the case of the States railway employes. It is with reference to these public servants that the strongest demand is made, and that the best appeal can be put forward, that a dispute in which they are involved is industrial. The manner in which the Constitution deals with the railways, because they are State railways, is very significant. If the railways had been private property, section 51 would have been considerably reduced, because from the general trade and commerce and other powers of the Commonwealth its authority over the railways would have flowed. But as they are States railways, they are singled out from all other institutions for special treatment. When they are intended to be bound they are specifically bound by express words, and where they are not alluded to, it is plain they are not intended to be bound. The strongest power, except taxation—in one sense a subdivision of the power of taxation—is the power to deal with trade and commerce, the first given in section 51. This is a power out of which the American Union has drawn inexhaustible potentialities. That embraces all trade and commerce except that within the several States, but it was not thought sufficient to confer authority upon the Commonwealth without express reference to the railways of the States. Because of that, after debate in the Convention, section 98 was introduced to supplement it. The expression—

Trade and commerce with other countries, and among the States—

might have been deemed ample enough—and if they were relying upon American precedents it would have been—but what did the Convention do? The Convention specially inserted section 98—

The power of the Parliament to make laws with respect to trade and commerce, extends to navigation and shipping, and to railways the property of any State.

That was not put in unnecessarily. It was put in because, when States railways are to be bound, States railways are expressly mentioned.

Mr. McWILLIAMS.—Was there not a distinction drawn throughout the proceedings of the Conventions between industrial matters and State-owned railways?

Mr. DEAKIN.—That is quite true; but what the Convention intended and what the

Constitution provides may be two different things. That is why I do not dwell upon intentions.

Mr. CROUCH.—If section 98 had not been included in the Constitution, would the authority of the Commonwealth, following the American precedent, have extended to State railways?

Mr. DEAKIN.—That was open to argument, and section 98 was put in to remove all doubt. Here we have State-owned railways, whilst in America there are private railways. I have admitted that if we had private railways, the American precedent would have been binding; but here, with State-owned railways, it might not have been binding.

Mr. CROUCH. — I ask whether, in the opinion of the honorable and learned gentleman, the large body of employes in the service, for instance, of a municipal authority, like the Melbourne Board of Works, would be included? I think they would be included, on the honorable and learned gentleman's argument.

Mr. DEAKIN.—They are included.

Mr. CROUCH. — The honorable and learned gentleman's argument would go as far as that?

Mr. DEAKIN.—Certainly, to all public authorities; there is no doubt about that. I direct the attention of honorable members to the allusion to railways in section 51 of the Constitution. Sub-section 32 is as follows:—

The control of railways with respect to transport for the naval and military purposes of the Commonwealth.

It was thought necessary to include that sub-section, because we should be dealing with State railways. It was thought that, even for purposes of defence, the Commonwealth, without such a provision, might not be in a position to use the State railways, and therefore the special power is given. Then, again, if honorable members will look at sub-section 33, they will find the circumstances under which we can become possessed of those railways:—

The acquisition, with the consent of a State, of any railways of the State.

Why was it necessary to say that we should have the consent of the States if it were not to put the matter beyond all doubt? It was because we should be dealing with State railways. A different attitude altogether was taken up when provision was made for dealing with private enterprises.

If we take the next sub-section, we shall find it refers to —

Railway construction and extension in any State, with the consent of that State.

This is a question of the expenditure of Commonwealth public money upon railway construction. The money would be voted by the Commonwealth Parliament, and yet it was decreed that we should have no power to give effect to a proposal of the Federal Parliament to spend its own money in this way except with the consent of the States.

Mr. WATSON.—Suppose the latter words in that particular subsection were left out; would not the implication be that without that saving clause we could go as far as we chose?

Mr. DEAKIN.—I should say so, for this reason: on the spur of the moment, the only exception I can imagine would be that it was the intention of the Commonwealth first to purchase the land upon which it was to make railways, and then to construct them upon it. As the Commonwealth has no territory apart from the States, if those words were omitted, even with State railways the meaning might be the same; but their inclusion shows what is intended.

Mr. WATSON.—Their inclusion shows that it was necessary to specify an exception.

Mr. DEAKIN.—The only case where, as a rule, it is not necessary to specify any exception, is when the States are dealt with. Wherever the States are being dealt with, the States are almost always expressly named.

Mr. McCAY.—The implication, I take it, is that all exceptions are specified, and where they are not specified they do not exist.

Mr. DEAKIN.—Exactly; that is the conclusion I intend to draw. I ask honorable members to look at section 102 of the Constitution. It provides—

The Parliament may by any law with respect to trade or commerce, forbid, as to railways, any preference or discrimination by any State.

Those who framed the Constitution were not satisfied to give the Commonwealth power to prohibit preference, but because this covers the railways of a State they embodied that as an extra in a special clause. That would not have been thought necessary in America. If we had been on the lines of American precedent, as we should have been if our railways were private railways, there would have been no necessity for this. It is because State railways are here referred to that this special

section is inserted. This, again, can be shown by section 104, which states—

Nothing in this Constitution shall render unlawful any rates for the carriage of goods upon a railway, the property of a State.

If there should be private railways in Australia at any time, we shall not find ourselves governed or affected by these sections.

Mr. FISHER.—There are private railways in Australia now.

Mr. DEAKIN.—For them we do not need these sections. Whenever a State railway is intended to be affected, it is expressly named in the Constitution. All these sections to which I have referred show that the same conception is running through the Constitution from first to last, and that the State is only bound when the State is expressly named.

Mr. DUGALD THOMSON.—In dealing with trade and commerce, the Government propose to regulate the wages of foreign seamen?

Mr. DEAKIN.—That is in dealing with navigation, when we deal not with foreign seamen, but with men engaged in our own coasting trade.

Mr. CONROY.—If we could regulate prices under the Tariff, why not regulate wages?

Mr. DEAKIN.—Of course, another argument which has been submitted is that public servants, because they are servants of the Crown, would require to be specially named as such. There is something in that argument—I do not say how much—but it appears to me that the doctrine as to Crown exemptions and Crown rights in the Commonwealth has been materially modified by our Federation, and will be very largely modified in the interpretation of the Constitution. How far that will go I do not pretend to say, and, therefore, do not dwell upon the point. There cannot be two Crowns, but there can be two agencies of the same Crown. The delimitation in that regard also is one which has yet to be determined. I submit broadly that the distinction, written largely across the face of the Constitution, in its dealing with State railways and State powers, as contrasted with its dealings with those of private persons, is judicious and necessary, even in this particular regard. I venture to submit that the circumstances of private employment, when wages and conditions of labour are governed only by the will of the employer, if he happens to be master of the situation,

or a combination of employers, if they happen to be powerful enough to enforce their will, without any other consideration than that of their own self-interest, and without any other resistance than that which their employes can offer, are very different from the proprietorship of a Parliament or elective body dealing with its employes without motives of self-interest, and without any possibility of personal gain.

Mr. JOSEPH COOK.—Still, possibly tyrannically.

Mr. DEAKIN.—It is possible that it may be tyrannical temporarily, but it is not possible that it can be pushed to anything like the same extent as in the case of the private employer. The public employes have always a court of appeal open to them in Parliament without cost, and in the long run they are certain to break down that tyranny, and to remove unjust conditions.

Mr. McDONALD.—They did not do it in Victoria.

Mr. DEAKIN.—They will do it; we cannot expect all things in an hour. The broad distinction between public and private employment justifies the distinction which we find conserved in this Bill. Although there may be grievances here and there in public employment, they are not comparable to those which exist in private employment, and are much more easily susceptible of remedy. I think I have put the point with sufficient clearness before that whilst State rights, if they are put forward simply as demands, making for their independence of the Union, deserve to be resisted, State rights, when they are requested only in order to preserve the integrity of its units and their place in the Union, ought to be as dear to us as the rights which we claim for the Federal authority. They are equally essential to the maintenance of a Federal union. If, in respect to "State rights," we ever adopt a position of antagonism it is only to be supported when the demand of the State is to impair the Federal relationship and the harmony of its working. In the Judicial dicta to which I have called attention, the importance attached to the maintenance of a clear dividing line is in order that a happy medium may be obtained and retained wherein the State fulfils all its functions as a unit of a larger Government, and not as hostile to it, while the larger Government fulfils its functions equally without hostility to the minor self-governing authorities within its bounds. They add to its strength and assist its

development, and their rights should be as much to it as its own authority. I have endeavoured to show that reasons of sound policy, as well as of law, justify the importance I attach to the maintenance of the independence of the States where, as in this instance, it is necessary for the maintenance of their dignity, of their self-governing responsibilities, and of their existence as States of a Federal Union. If, against their will, they are made subject to Federal law and to the control of a Federal tribunal in regard to the wages of their servants, the salaries of their officers, and their undertakings generally, they will pass from the position which they were intended by the Constitution to occupy, and in federating will have surrendered infinitely more than they believed they were surrendering, becoming mere subordinates of the central Government. Some dominion must be shared between the Commonwealth and the States, while other dominion cannot be so shared. The American authorities say that the power to tax is the power to destroy, and that a State tax upon Federal Departments, such as the States in America have attempted, and some of the States of this Union are now attempting, to levy upon Federal officers, would, if permitted, destroy the Federal agencies and instrumentalities, and impair the independence and authority of the central Government. I have every reason to hope, however, that the High Court and the King in Council will together resist those demands.

Mr. McWILLIAMS.—Does the Prime Minister allude to the duty stamp case?

Mr. DEAKIN.—I do. Although the honorable member considers that so small a matter, the case involves, indirectly, a great principle. As Marshall put it, it involves the principle whether you shall have two Governments working side by side, one in the other, without clashing and without antagonism, because the means and instrumentalities and officers and agencies of each are protected from the invasion of the other; or whether you shall permit one to invade the dominion of the other, to interfere with its officers and agencies, to impair its power of working, and to destroy its individuality. There is no other choice. There must either be a complete severance of the functions of the two authorities, a complete division of their spheres of action, distinct even to the imposition of a duty stamp, or you must have confusion, the intermingling of conflicting powers of legislation exercised by Legislatures, each of

which is an agent of the self-same people, and intended to fulfil special functions for them, without injury to the other. I believe that any aggression, however small, on the part of the States on our Federal agencies and officers would be resisted by this House, but, even if the law as to the States were other than it is, I would ask honorable members, as a matter of Federal policy, to say that the great principle which Marshall eulogized is as valuable and essential to Australia as it has been held to be to America and to Canada. Nothing can be gained commensurate with the injury that would be done if we allowed the operations of one of these Governments to infringe upon those of the other. We must keep them free, each within its own sphere, unless the people of Australia choose to amend their Constitution, as they may, by taking away its Federal character, and providing for a unitary Government. They have not yet done so, and until they do, we should treasure the Federal principles of the Constitution. I do not contend that the power of award exercised by a Federal Court under this Bill would be exercised as a power of taxation employed by an independent legislation, which, as Marshall said, might be used to destroy. The railways would continue to be administered by the authorities of the States probably without much increased cost. I admit that, and the admission may appear to tell against me. But what would be destroyed by the intervention of a Federal authority, whether judicial or not, would be the power of self-government of the States, their control of their own agencies and instrumentalities which they possessed before Federation, and which they have never consciously surrendered. If we destroy their self-government, we destroy the Federal character of our Constitution. If this is legal, then under some other bill we might tax the lines to any extent. The railways are as essential now as they have always been to the development of the States, in the opening up of their lands, in the encouragement of producers, in providing for their traffic, and in a hundred other ways. While the Parliaments of the States retain the power to legislate for the administration of the land, surely the means and agencies by which it is to be made available or profitable to settlers can be allowed to remain under their authority. If we desire to possess the railways for the advantage of the Commonwealth,

let it be done, as it may be done, under the Constitution. Let the States surrender to the Commonwealth the control of their lines. Then, without trenching upon their functions, or interfering with their officers, we can fix the salaries of the railway employés.

Mr. WILKS. — The New South Wales Arbitration Court deals with the railway servants of that State.

Mr. DEAKIN. — Yes, because the Parliament of New South Wales created that Court, and gave it jurisdiction over its railway service, just as we can give our Arbitration Court jurisdiction over Commonwealth servants. That is quite a different matter. I have a word or two to say as to the extension of a dispute beyond a State, to which attention has been directed on more than one occasion. I have already hinted that the question, "Can any dispute between the railway servants of a State and its controlling authority extend beyond that State?" has not been answered. I, myself, fell into an error when last year I spoke of such a dispute extending beyond a State by means of a sympathetic strike. I overlooked for the moment the fact that there cannot, under this Bill, be a strike.

Mr. WATSON. — There may be a strike if the provisions of the Bill are not applied to railway servants.

Mr. DEAKIN. — Neither a sympathetic strike nor a sympathetic dispute can exist. If there were a dispute between the ironworkers on this side of the Murray and the woodworkers on the other, about the same question of hours, would that be the extension of a dispute beyond one State, since the trades and the circumstances would differ? Or if the ironworkers on one side of the Murray had a dispute about hours of labour, and the ironworkers on the other side of the Murray a dispute about wages, would that be an extension of a dispute beyond the limits of a State? Similarly, how can a dispute among the railway employés and the controlling authority of a State extend beyond its boundaries unless the same dispute arises between the employés and controlling authority in the adjoining State, and the men are working under precisely the same class of disabilities, or have the same grievance in regard to wages or hours of labour? It might easily be that even if the Court had the power to interfere, it would have to say that the disputes were not the same disputes.

Mr. WATSON. — What about the maritime dispute, which extended from the ships' officers to so many different classes of labour, until it reached the country districts?

Mr. DEAKIN. — At that time strikes were possible, and one strike followed another.

Mr. WATSON. — The same thing may happen if the public servants of the States are excluded from the operation of this measure.

Mr. DEAKIN. — No; that is impossible. In the first place there will not be a strike, but a dispute.

Mr. WATSON. — There might be a strike, just as there might be a dispute.

Mr. DEAKIN. — There can be no strike in any case after an award has been given by the Federal Court.

Mr. WATSON. — The honorable and learned gentleman is contemplating the exclusion of the railway servants, and therefore should argue the question as if they were excluded.

Mr. DEAKIN. — My conclusion may not be justified by the facts, although I think it can be by the circumstances; but I assume that public servants cannot strike. I shall be told that public servants have struck. True; but surely the consequences have been disastrous enough to show the futility of any such proceeding on their part.

Mr. FISHER. — That is a very poor argument.

Mr. WATSON. — The Prime Minister ought to know that two or three defeats will only spur men on, if they have any spirit in them.

Mr. DEAKIN. — With all respect to the honorable member, I think that we are not likely to see any more strikes of public servants, because they, like other classes of the community, have other and more reasonable and effective means of obtaining justice.

Mr. WATSON. — Sometimes.

Mr. DEAKIN. — Always. I believe that the employés of the only State in which a strike of public servants has taken place will yet obtain, and without long delay, a full measure of justice. If public servants are excluded, strikes will be made impossible for every one outside the Public Service, and I think both impossible and illegal to public servants. I was pointing to the improbability of a dispute extending beyond any one State. It is a dispute and not a strike that has to extend beyond the limits of any one State before it can be brought within the purview of the Federal Court.

Mr. McCAY.—The Prime Minister means the dispute, and not the disputants merely.

Mr. DEAKIN.—Exactly. I mean a dispute extending beyond more than one State. Honorable members must see that my argument is plain in purpose. I have alluded to the advantages enjoyed by public servants, and wish to show how narrow the gain would be if the railway servants were brought within the scope of the Bill. There are few cases in which one could conceive of a dispute in one State being matched by a dispute in another State, so that the railway servants of both should be involved in such a way as to enable an appeal to be made to the Federal Court.

Mr. HIGGINS.—The Minister's point is that the cases in which an appeal could be made to the Court by public servants would be very few indeed.

Mr. DEAKIN.—It would be practically impossible for the railway servants to engage in a dispute which would come within the purview of the Federal Court. I can scarcely conceive of a case in which a dispute could extend from the railway system of one State to the railway system of another.

Mr. WILKS.—Then where is the danger of including railway servants within the scope of the Bill?

Mr. DEAKIN.—The point is that we cannot do so without disregarding one of the essential principles of the Federation, without an invasion of State rights, without interfering in a matter in which we have no constitutional power to interfere. I am endeavouring to show that the practical usefulness of introducing such a provision as that indicated is very small, on account of the character of the control, the nature of the employment, and the almost necessary limitation of their disputes to one State. But I am urging that to bring railway servants within the scope of the Bill would involve a very serious invasion of State rights now, and means more in the future.

Mr. DUGALD THOMSON.—What I understand is that a dispute would arise between the railway servants and their employers if a request made by them were not granted.

Mr. DEAKIN.—Yes.

Mr. DUGALD THOMSON.—Then the railway servants in two States might make the same request, and thereby extend the dispute beyond one State.

Mr. DEAKIN.—They might make a request if they did not already enjoy that

for which they asked. The railway servants of New South Wales and Victoria could not very well join in making a request, because, as I understand, the railway employés of New South Wales are satisfied with regard to the matters which are the subject of agitation in Victoria. I entertain the gravest doubt whether the inclusion of railway servants within the scope of the Bill would be constitutional. I am satisfied that if it were constitutional, such a provision would be inoperative, and it is perfectly clear to my mind that it would not only be inoperative but unenforceable.

Mr. WILKS.—In other words, it would be like a "chip in porridge."

Mr. DEAKIN.—Very much in practical effect. I would ask honorable members, and especially those who look forward to the application of legislation in accordance with advanced ideas, and who rely upon it for the achievement of many of their ideals, not to unnecessarily increase the strain upon this great Bill. I ask them not to stretch its principles to breaking point, if they see not only that they will be inoperative, but that they cannot be enforced without a resort to those extra legal conflicts to which I have alluded. An endeavour to impose our authority upon Parliaments which, in their own sphere, are independent, and upon Governments which owe no obedience to our will, would lead to the most disastrous results. If a finding of the Court could not be enforced, would it not be unwise on the part of those who are making the largest demands upon legislation for the sake of the advances it promises to attempt too much, and thus bring about a recoil? I cherish a high hope regarding this measure. Its provisions cover an immense area, subject to the limitations of which I have spoken, and which have yet to be precisely defined; and I believe that it will accomplish our aims.

Mr. POYNTON.—How does the Prime Minister define a dispute extending to another State? I understood him to say that the Bill did not define such a dispute.

Mr. DEAKIN.—I was speaking of disputes as affecting public servants. It may not be a simple thing for a dispute to extend beyond one State even in the case of private employés; but with the federated organizations there will be many opportunities to bring it within the scope of the Act.

Mr. SPENCE.—That would apply to exactly the same extent in the case of States public servants.

Mr. DEAKIN.—No.

Mr. SPENCE.—The conditions for railway navvies would be the same in each State.

Mr. DEAKIN.—Their case would be very different from that of ordinary navvies. So far as I know the navvies upon the railways have no grievance. I believe that disputes in private employment which can be dealt with by the Federal Court will be fairly numerous. I omitted to point out that in clauses 7 and 8 we make a special attempt to deal with shearers and others who are not exactly employés at the time when a dispute arises, although they have entered into an agreement beforehand. Shearers, seamen, miners, and others embraced in large associations will be afforded an opportunity to submit their grievances to an impartial Federal Court whose finding will, I believe, be binding, not only upon those engaged in the dispute, but also, I anticipate, extend to others in similar employment throughout Australia. That point has yet to be established, but I venture to think that the Federal authority will extend so far. The powers included in the Bill, where they relate to private employment, seem to be ample. Those in State employment are excluded, because State employés would have been expressly mentioned if it had been intended that they should be brought within the scope of such a measure, and because they have already special means of redress. They cannot be included without inflicting a deadly blow to the States and to the Federal principle that unites them under the Commonwealth. In dealing with private disputes the Court will have ample work to justify its existence. Those honorable members who are most emphatic as to the right and power of the Commonwealth to include the public servants of the States within the provisions of this Bill, might well consider—even if they entertain the strongest views upon these points—whether the present is the time when they should launch this Court at the outset of its very great and grave responsibilities to prevent strikes and locks-out upon the exceptionally hazardous and difficult enterprise of dealing with State employés. As to this legislation, I have already pointed out what it may reasonably be expected to accomplish. I have not overstated the position. I look upon the Bill with most hope as the forerunner

of possible developments—as the introduction of a noble principle—more than as a completed plan. I recognise—and ask honorable members to recognise—that by legislation of this character something can be accomplished, but not very much; that by administration under such legislation, if it be sympathetic, wise, and not too rigid, a great deal more can be done, but not all. Beyond both the legislation and the administration there is the public opinion to which I have already referred, which, aiding legislation and assisting administration, can accomplish most. Unfortunately at present public opinion is too often biased, partial, and uninformed upon industrial affairs and their effects; but as it consists of the collected thoughts of the community, it is possible that, by individual action and effort, it will become enlightened and informed in support of the awards of our Arbitration Court. It should prove the first and supreme power in the working of this and similar Acts, by its own force, guiding and elevating the necessary legal sanctions, tending to suppress industrial war, industrial destruction, industrial anarchy. By its own developed intelligence, its conscience, its judgment, and its humanity, it can combine employers and employés together with those who stand outside the ranks of both, in consciously fulfilling the duties arising out of modern industrial evolution.

Mr. DUGALD THOMSON (North Sydney).—I beg to move—

That the debate be now adjourned.

In doing so I would ask the Prime Minister to consent to an adjournment until such time as honorable members have had the advantage of reading his very full and closely reasoned speech. The Prime Minister has opened up more ground than has been trodden upon in previous debates. He has put before the House a very close, ingenious argument, and we desire to test that argument, and to see what it actually means. Owing to the fulness with which he dealt with his subject, as well as its importance, we ought to be permitted to see his speech in print—as we were on a previous occasion—before being called upon to debate this Bill.

Mr. POYNTON.—We can obtain copies of the Prime Minister's speech to-morrow.

Mr. DEAKIN (Ballarat—Minister for External Affairs).—I fully recognise that, if no honorable member is prepared to speak to-morrow, the demand of the acting

leader of the Opposition is a reasonable one. I recognise that he is entitled to an adjournment if he wishes it; but at the same time I ask him not to stand in the way of other honorable members who are prepared to proceed with the discussion. Of course, I shall not seek to close the debate to-morrow.

Mr. POYNTON.—Will not honorable members be able to obtain copies of the Prime Minister's speech to-morrow?

Mr. DEAKIN.—I presume so.

Motion agreed to; debate adjourned.

MANUFACTURES ENCOURAGEMENT BILL.

Mr. SPEAKER reported the receipt of a message from His Excellency the Governor-General, recommending that an appropriation be made from the consolidated revenue for the purposes of this Bill.

CHINESE IN THE TRANSVAAL.

Debate resumed from 18th March (*vide* page 755), on motion by Mr. WATSON—

That this House records its grave objection to the introduction of Chinese labour into the Transvaal until a referendum of the white population of the Colony has been taken on the subject, or responsible government granted.

Upon which Mr. JOHNSON had moved, by way of amendment—

That all the words after the word "House," line 1, be omitted, with a view to insert in lieu thereof the following words:—"views with extreme regret the proposal to import Chinese labour into the Transvaal, regarding such a step as prejudicial to the best interests of the Colony."

Mr. CAMERON (Wilmot).—I listened with very great attention to the remarks of previous speakers, who, it seemed to me, to a great extent lost sight of the most important points in this discussion. I regretted to observe that an effort was being made—I presume for party purposes—to burke discussion on this very important motion. I use the phrase "party purposes" simply because it is desired to influence the voting on the motion of the leader of the Opposition in the House of Commons. I do not think that any such motive should influence us in coming to a decision on the question.

Mr. WATSON.—Notice of my motion had been given before Sir Henry Campbell-Bannerman moved his motion in the House of Commons.

Mr. CAMERON.—It seems to me that we have to consider two questions very seriously. In the first place, is this a national question? Is it one that affects, not only

the Transvaal, but also Australia and other portions of the British Empire? If it could be proved conclusively that it is, then I would at once admit that undoubtedly we have a right to deal with the subject. If, on the other hand, it is purely a local question—one which affects the people of the Transvaal alone—then I unhesitatingly contend that we have no right to interfere, because we have already laid down the principle that the Commonwealth shall not interfere with State matters. We understand that the mine-owners of the Transvaal found it extremely difficult to procure coloured labour to develop their mines and to obtain as much gold as they wanted; and, in the belief that it would benefit the people of the Transvaal as a whole, an Ordinance was framed and carried by the Transvaal Council, sanctioning the introduction of Chinese. No Bill sanctioning the introduction of coloured labour to any State could have been hedged round with more careful provisions. The Chinese are to be brought over to the Transvaal for a certain time to do certain work, and at the expiration of that time they are to be returned to their homes. I would remind honorable members that similar legislation has been in force in Natal, an adjoining State, in the Straits Settlements, and in Queensland. Before we venture to take such a step as to address a remonstrance, either to the people of the Transvaal or to the Imperial Government, we should seriously consider whether we have any right to interfere at all. We could only properly interfere if it were a national question; and I contend that it is not. Had the Transvaal Government proposed to introduce a large number of Chinese, with their wives and families, as settlers, I should admit the objection of the honorable member for Bland, and those who support him. I recognise, as no doubt every honorable member does, that the presence of a large body of Chinese settlers there might at some future time become a menace to other portions of the British Empire, more particularly to Australia. Within the last few years we have seen a wonderful advancement among a race of the same colour. At a bound the Japanese have succeeded in taking a position amongst the great nations, and they have not only the power but the will to enforce their claim to be treated with respect. It is quite possible that the same force as enabled the Japanese to advance may enable the Chinese to advance at some

future period, and, if they did, I repeat that the presence of a large number of Chinese settlers in the Transvaal—with the enormous population of China—itsself not very far away—could and might very reasonably be expected to become a menace to Australia. For these reasons, and these alone, I could understand a remonstrance being sent to the Transvaal Government. But, so far as I know, no proof has been adduced that the Chinese are likely to become an evil. We are told that if they are introduced they will be practically slaves. I would ask those who use that as an argument to remember how, only a very short time ago, the kaffirs were practically treated—and they may still be practically treated—in exactly the same way as the Chinese will be treated. On the diamond fields of South Africa they were confined to compounds. When they came to their work they were stripped; and they were also stripped and carefully examined when they returned to the surface of the mine. No protest was raised by the people of Australia against that treatment of the kaffirs. But honorable members seem to have got the Chinese on the brain. If a man is called a Chinaman, a member of the Labour Party will always be found ready to rise and protest against his employment. I have no sympathy with any such narrow-minded pettifogging views.

Mr. SPENCE.—What kind of treatment do they get in Tasmania?

Mr. CAMERON.—I have no doubt that the treatment of the Chinese in Tasmania is as good as it is in New South Wales. No argument has been adduced to convince me that the Chinese in the Transvaal are likely to be a menace to the safety of Australia. Therefore, I think, I am justified in refusing to recognise the advent of Chinese in the Transvaal for a particular purpose as a national danger. If they will not constitute a national danger, the next point we have to consider is, has the Parliament of the Commonwealth the right to interfere in local matters? I would remind honorable members that they have already laid down the principle of no interference in matters of State concern—of course, they have interfered in matters over which they have a control, but they have distinctly enunciated the principle that they have no right to interfere with local matters. For instance, when the Post and Telegraph Act was brought before the House some two and a half years member after member rose and dilated

on the vice of gambling. At the same time it was frankly admitted that the Parliament had no power to stop the evil by legislation, and it was not even proposed that we should remonstrate with the State or States in which gambling was allowed to be carried on. But by passing clauses 57 and 58 of the Bill we declared, in effect, that, whilst we had no right to interfere in State matters, we should, nevertheless, do all in our power to suppress gambling. If the members of this Parliament considered that gambling was a vice, why did they not take action similar to that now proposed in regard to the introduction of Chinese to the Transvaal? Why did they not by resolution remonstrate with the people of Tasmania, and request them to abolish the institution in question as being inimical to the moral welfare of the people of the States? Instead of doing anything of the kind, the Parliament decided that letters addressed to certain persons should not be carried through the post. We simply legislated in accordance with our powers, and gave the Postal Department power to refuse to deliver letters addressed, for example, to "Tattersall, care of George Adams." We had no power to do anything more, and why should we now endeavour to interfere in matters with which we are not concerned, and so make ourselves ridiculous in the eyes of the rest of the world? Let me put the position before honorable members in another way. Only some two years have elapsed since the Federal Parliament took action to prevent the employment of kanakas in Queensland. When the Pacific Island Labourers' Bill was before the House there were many people in Queensland who desired the abolition of kanaka labour; but there was a minority—and a very active minority—who believed that the Bill would be prejudicial to the best interests of the State, and used every means in their power to prevent its passing. If that minority of the people of Queensland, believing that kanaka labour was necessary for the prosperity of the sugar industry, had communicated with the authorities of the Transvaal, Natal, Capetown, or anywhere else, saying—"Remonstrate on our behalf with the Commonwealth Parliament. They are going to introduce a measure which will be prejudicial to us. Help us or we perish," what would have been said? In that event the honorable member for Bland, and those

who so cordially support him in this matter, would have been the first to say—"This is arrogant impertinence. What right have the authorities of the Transvaal or the Government of any other country to dictate to us?"

Mr. FOWLER.—The honorable member forgets that we are partly responsible for the present position in the Transvaal.

Mr. CAMERON.—I would remind the honorable member that it was within the power of the British Government to enlist men not only in Australia, but in any other part of the Empire. Had they called on the young men of Australia to volunteer they would have done what they did without any such appeal, and, in these circumstances, we can claim no credit for the action of our men.

Mr. WEBSTER.—The honorable member is fighting for the Chinese.

Mr. CAMERON.—As I would fight for the honorable member, even if he were as black as coal, if I thought that he was being unfairly treated. I am not fighting any more on behalf of the Chinaman than I should fight for any one else whom I considered to be unfairly treated. I simply desire to remind the people of Australia that we have unfortunately an overweening idea of the importance of our action in sending a few troops—a good many in proportion to our population, but a few as compared with the number sent by other parts of the Empire—to carry on the war in South Africa. All our men, with the exception of those of the first contingent, were paid by the Home Government, so that after all very little credit is reflected on the Parliament of the Commonwealth for what they did. Even if Australia did all that has been claimed for it, it did no more than Canada; and the people of the Dominion, who are just as competent as we are to form an opinion, have decided not to interfere in this matter. Believing as I do that the motion is not calculated to reflect credit on Australia—believing that the question at issue is not one of national importance—I unhesitatingly declare my intention to vote against the motion, either as proposed or as sought to be amended. I sincerely trust that, even if those honorable members who share my views are few in number, they will join with me in dividing the House in order that the people of the old world may know that the people, or, at all events, a minority of the people, of the Commonwealth, possess some common sense.

Mr. O'MALLEY (Darwin).—I hold that this is really a question of Capital *versus* Labour, and I take the view that there is no reason for any extraordinary display of feeling in regard to it. It is a question of whether the South African war was fought to acquire colonies and to enfranchise miners, or only to enlarge the Chinese Empire. Did Austrians fight to provide a colony for China to take the place of Manchuria?

Mr. KELLY.—Will the Chinese in question come from Manchuria?

Mr. O'MALLEY.—The Russians have Manchuria, the Chinese have lost it, and the Japs. are after it. The question now arises whether we are prepared to furnish the Chinese with a colony, although they shed no blood in acquiring it. This motion has for its object one specific purpose. We seek to convince our British brothers across the seas, by arguments addressed to their consciences and to their hearts, that Chinese slavery in the British Empire cannot be for the well-being and progress of the Empire. That is the sole point. We are not seeking to interfere with another part of the Empire, nor have we any idea of doing so, but we claim, by the blood shed on the veldts of South Africa, by the memory of our Australian brothers who are sleeping in the silent bivouacs of the dead, the right to say whether their blood was shed for the glorification of China or for the advancement of the British people. I wish to confine myself to that aspect of the question. No doubt the honorable member for Wilmot views the matter from a different stand-point. His idea of a Chinaman is, perhaps, that he has a greater right in the British Empire than has the white man. But this is a white man's country.

Mr. WATSON.—South Africa is a black man's country.

Mr. O'MALLEY.—It was a black man's country, and we had no right to go there; but the powerful races must always drive out the weaker. The black races must become extinct eventually. The blackfellow is dying out in Australia; the Indian is almost a thing of the past in America; and now in South Africa the blackfellow will have to go also.

Mr. KELLY.—In the Transvaal as well?

Mr. O'MALLEY.—It is only a matter of time. The white race is the dominant race, and it will take possession of the earth.

Mr. GROOM.—What about the nigger in America?

Mr. O'MALLEY.—The nigger was sent to America through the same greed that is sending the Chinaman to South Africa—the same contemptible greed and selfishness of the diabolical, organized, predatory wealth of the country.

Mr. GROOM.—The nigger is not dying out in America.

Mr. O'MALLEY.—Because he struck a climate that was suitable for him. If you were to take the sons of Lord Salisbury, or of Mr. Gladstone, or of the greatest men in the British Empire—even of the Prime Minister, who made such a brilliant speech this afternoon—and sent them to that country, in four generations from now their descendants would simply be men with hair sticking through their sombreros, and would be seen with a rooster under each arm going to a cock-fight on a Sabbath morning. Climate is necessary to develop a capable race, and there are only a few parts of the earth where brainy men can be raised. The rest of the globe is only fit for fish. Most of the men of brains come from those quarters of the earth where the snow falls. The conditions of the hot countries, where a man can sleep without a blanket, are revolutionary. This is the position in the Transvaal in a nutshell. The measure permitting the introduction of the Chinese to South Africa is the worst measure that was ever sanctioned by a British Administration. It is absolutely the most dangerous measure ever agreed to, so far as concerns the success of the policy of the Right Honorable Joseph Chamberlain. I will point out why. If it is a good measure, our fighting in South Africa was done under false pretensions. There is no question about that. Does any one think for one moment that we should have had armies parading our streets, and bands playing "Soldiers of the Queen" in front of regiments of heroes, if it had been thought that they were going to fight for enfranchising Chinamen, and to build up a new Chinese Empire? And for what purpose? To enrich men who, according to the *Age* this morning, made £8,000,000 last year—£3,500,000 of which they divided in dividends, and £4,500,000 of which they put into plant—out of the earnings of their mines. Yet they are not satisfied. If a dangerous policy like this had been put into execution in 1848-9 in the State of California or in Oregon, there would be no white population there to-day. The old pioneers were attracted from all quarters of the earth's surface to the State of California

to make wealth on the gold-fields. Many of them remained there and took up land, with the result that to-day California is one of the most prosperous States of the American Union. But the owners of the mines in South Africa want to take the gold out with the aid of Asiatics, who are to be their temporary slaves, brought there on a three years' system of slavery; and then they will abandon the country and leave it to the Chinamen. Gradually there will be no white population at all. Can it be imagined that if the white population does not flock there now to get the gold, they will go there afterwards to cultivate the land? How can the British Government be so very short-sighted as not to see this? But the trouble is that the influence of the worshippers of gold is almost too much for them. This influence is overbearing. The right policy would be to make the voice of the people potent in government, and the rights of the people pre-eminent in legislation. Is that being done to-day? No fear! Consequently the problem put in a nutshell comes to this: the Transvaal was formerly a Christian land, inhabited by a Bible-reading people. But we are going to drive them out, and put pagans there instead. The joss-house is to take the place of the altar of the church, and Chinamen are to spread their feasts where once the Boers worshipped.

Mr. WILKS.—They are going to make a Little Bourke-street of the country.

Mr. O'MALLEY.—Yes; it is to become a Little Bourke-street, or a Chinatown, like that in California. I remember when the United States would not shut out the Chinamen. Congress laughed and sneered at the idea. But the people of California got some of the Congress men to go to San Francisco, and they dropped them at the fourth storey of Chinatown, and left them there for the night. Those Congress men could not get back to Washington fast enough. That is what we ought to do with the worshippers of the Chinese in South Africa. They should not be allowed to import Chinamen to that country unless they are prepared to marry their sisters and daughters to them. The British Empire is supposed to have a high standard of civilization. Yet in this measure the standards of labour are to be lowered, and the gates are to be opened wide to all the scandals, the shame, and the sorrow of human bondage. When Chinese labour was tried in the building of the Union Pacific by railroad, and the

Chinamen came and lived on the coast of California, nobody ever made one dollar out of them. Of course, however, the time is fast approaching when boodling, black bloodsuckerdom will want one class only to do all the work, and Chinamen will form that class. I remember when all the servant girls in California were cleared out, and Chinamen were put in their places. But one day a rich man's daughter fell in love with a Chinaman, and they went to Salsolieto and got married. When the Chinaman claimed his white wife afterwards, his father-in-law pulled out his Winchester rifle, and the Chinaman was soon running down the street like Carbine in the Cup. That closed the employment of those beautiful Chinamen, who were at once all dismissed. To the other crimes in British history a new one is about to be added, which in better days and more honorable times will be read of with universal shame. I firmly believe that out of the vastness of the abominable crime now being perpetrated against the British white race by a ring of South African boodle bloodsuckers, a commensurate vastness of effort will be raised against them by an aroused British democracy, determined not only to vindicate right against wrong, but to redeem the British Empire from the thralldom of predatory boodle-bludgerdom which prompts, directs, and concentrates the distant wrong.

Mr. KELLY (Wentworth).—I refrained from speaking to this motion on Friday last out of the desire—which, I think, I shared with most honorable members—that the debate should close on that day. However, as the debate has extended to this evening, I should like to explain, in a very few words, my position towards the motion. In the first place, I am in entire sympathy with the object which the honorable member for Bland has in view. But I disagree with the motion, in so much as I do not think it is so worded as to be best calculated to attain its end. The special knowledge which the people of the Commonwealth possess of the dangers which may result from Chinese immigration, added, I think, to the conviction which we all hold, that the future tranquility of South Africa absolutely depends on a large influx thereto of the white race of British extraction, are facts which make it almost incumbent on us to warn the Empire of the dangers which, we think, a sister State is on the high road to incur. But it is also incumbent on us to so frame our

warning as to make it most easily acceptable. We have all had experience of the man who gives advice only in order that, when it is refused, he may afterwards come to us and say, "I told you so." Such a man usually either forbids us taking a course which we are prepared to take, or objects in such a way as to "get our backs up;" and in nine cases out of ten he, as I say, afterwards says, "I told you so." I sincerely hope that we shall not jeopardize our object by passing the motion in its present form. The fact that a precisely similar motion has been passed in another place should not deter us from amending the proposal before us, if we think that by so doing we shall make it more likely to be accepted in the quarters we wish. Unlike some other members who have spoken, I do not desire to move an amendment. It would please me better if the honorable member for Bland would consent to alter his motion. Personally, I think that a motion simply giving advice or expressing regret—whichever honorable members may think best—would not only be more efficacious, but also more dignified. If we express an objection to affairs over which we have absolutely no control, and our objection is ignored, surely this House loses dignity thereby. But if we simply offer advice, and our advice is not accepted, the only person who loses is, I think, the person who does not accept the advice. To object argues a right to object; and if we wish to claim a right to object in the affairs of another Colony, when such affairs appear to us to have Imperial significance, we must, I think, concede a like right to that Colony towards us. I ask honorable members to remember that some of our domestic legislation, such, for instance, as the Immigration Restriction Act, and the proposed Navigation Bill, is of a kind which might easily be regarded by our friends across the sea as having Imperial significance. The good feeling which is at present existent within the Empire is dependent on the complete autonomy which each Colony at present enjoys. What will be the position if we set a precedent for the right to object? We shall find the right taken advantage of by other people as against us. Only the other day a Mr. Edmund Robertson, in the House of Commons, proposed practically to interfere in the affairs of the Commonwealth. That gentleman had no precedent for so doing; and the British Government have so far evidenced no desire to interfere,

nor have they had any excuse for interference in the affairs of this Commonwealth. I take it that if we set a precedent by taking an objection to matters over which we have no control—whatever right we may have to express our views—we shall be open to interference on the part of our cousins beyond the seas. A motion expressing objection carries no more weight than a motion simply expressing our regret or our conviction. In fact, for the reasons I have already detailed, such a motion as that before us is apt to defeat itself. I therefore hope that the honorable member for Bland will amend it by leaving out the word “objection.” The integrity of our Empire absolutely depends on the continued free exercise of each Colony’s local autonomy. If the people of South Africa propose to take a course which our wider experience induces us to believe will probably prove so hurtful to that country as to make the whole Empire feel its consequences, by all means let us give the best advice we can; indeed, I think it is incumbent on us to do so. But let us not so frame our advice as to make the acceptance of it the more difficult. The difference, in a word, I am endeavouring to point out, is the difference between proffering help and obtruding interference. If the honorable member for Bland sees with me in this regard, he will not under-estimate the enormous load of responsibility which the present wording of the motion places on his shoulders. Scattered over the face of the world, each section of the British people has in the past devoted itself to the development of its own territory, free from all restraint, except the generous dictates of its own conscience. Our local autonomies form the pillars of that great arch of Empire under which we live; the keystone of which is our common kinship. I hope that this House will do nothing to undermine the foundations of an Empire that is at once so generous, so great, and so free that to belong to it is our chiefest pride.

Mr. WILSON (Corangamite).—I have no sympathy with the motion proposed by the honorable member for Bland. The amendment proposed by the honorable member for Lang is couched in milder language, and is preferable.

Mr. WILKS. — It is only the original motion watered.

Mr. WILSON.—That is so, but such watering down often does good, because it takes the fire out of a statement, and makes

it more acceptable. I cannot see why we should interfere in this matter. It appears to me that in Federal politics we have two controlling factors, from which the leaders in the Federal Parliament, and many of its members, take their cue. One controlling factor—and a very important one in these days, apparently—is the opinion of “King Dick,” of New Zealand. It appears to me that we are always turning to New Zealand to know what is the latest proposal which Mr. Seddon has on the board.

Mr. POYNTON.—“King Dick” is a good man.

Mr. WILSON.—For all our socialistic legislation we must go to New Zealand, and must take our cue from the people there. If we look through the correspondence on this Transvaal question, which has been laid upon the table of the House, we can imagine first of all that the telephone bell rings: The Prime Minister goes to the telephone, and says, “Who’s there?” “It is I, Seddon.” “How do you do, Mr. Seddon?”

Mr. JOSEPH COOK. — The honorable member has been reading the *Sunday Times*, surely?

Mr. WILSON. — “I am very glad to speak to you. On this Transvaal question, what do you think about the Chinese?” “Oh, I’m off Chinese. We are off everything but a White Australia over here.” “Well, I’m very glad to hear it.” So they go on talking for a long time. It is most amusing to read through this correspondence, and find the many expressions of “thanks” between the parties to it. Then there are such phrases as “Earnestly hope reply will be favorable”—“*Re Asiatic labour in Rand mines.*” “Confidential. Entirely concur with you.” Really the way in which these two leading men of the Commonwealth and of New Zealand converse together is very pleasant reading. We can imagine that at the finish the Prime Minister says—“Well, we have had an awfully good time, speaking together on this question; what a pity it is that the conversation should be so expensive; that we should have to waste so much money in cabling. Before I leave, I should like to know what your opinion is on our Conciliation and Arbitration Bill?” Then they ring off, and there is an end to the business. I think we have had too much of “King Dick” in Australian politics. What we require is a little originality. There is no originality

in this motion, and there is no necessity for us to interfere in the affairs of the Transvaal. The other controlling influence in Australian politics to-day is the press, and here again we have another King—"King David." He is very delighted with the stand which the Federal Parliament has taken on this question; but I am glad to be able to say that there is by no means unanimity in regard to it in this House. There are honorable members who dissent from the proposal that the Commonwealth Parliament should interfere in affairs outside its own jurisdiction. I intend, if I get the opportunity, to move a further amendment to the effect that—

This House is of opinion that it would be impolitic to express any opinion upon matters outside its jurisdiction.

I may not get the opportunity, but if I do I shall move that as an amendment. In looking through the Federal Constitution, I find that we have ample power to deal with our own emigration and immigration; but unless a very broad scope is given to the Department for External Affairs, I can see nothing in the Constitution giving us the right to deal with questions in the Transvaal, as proposed by this motion. I should like to compliment the honorable member for Bland, and other honorable members, on the exhaustive way in which they have dealt with the subject. The remarks of the honorable member for Bland would have been all right if he had been speaking as a legislator in a Transvaal Parliament. His fine description of the evils he apprehends, and his figures, would have been appropriate there, but they are quite out of place in the Australian Federal Parliament. The honorable member did not mention one point to show that we have any right to interfere in the internal management of the Transvaal.

Mr. MAUGER.—Would the honorable member say that in regard to giving military assistance also?

Mr. WILSON.—I should like to point out to the honorable member for Melbourne Ports that interjections are disorderly. The honorable member for Bland has rightly stated that the Australian people are specialists upon this question of Chinese immigration. No doubt we are, and I am not one of those who would like to see Australia overrun by Chinese. But I am one of those, perhaps, misguided individuals, who were called on one occasion by the honorable member for Barrier "antiquated fossils." I believe that, in tropical

Australia, we should have a colour line, and that within that colour line indented labour should be permitted—not Chinese labour, because I dislike it, but indented labour, such as they have in Natal.

Mr. BAMFORD.—Where would the honorable member draw the line?

Mr. WILSON.—Somewhere up in the tropics; I cannot say just now. I see that, in an article appearing to-day in the *Argus*, a prominent man recognises that something of this kind should be done. We do not wish to have Australia overrun by Chinese, but I believe that the Transvaal people, who are on the spot and know something about the circumstances, should be allowed to deal with this question. Lord Milner, than whom there is no greater authority on Transvaal questions in the world, has declared that he is ready to stake his reputation that the introduction of 100,000 Chinese to the Rand will immediately give employment to 100,000 white men in the development of the mines. I prefer the opinion of Lord Milner on this question to that of the honorable member for Bland or of the Prime Minister.

Mr. BAMFORD.—What we are asking is that the opinion of the people of the Transvaal shall be taken.

Mr. WILSON.—We are trying to dictate to the people of the Transvaal by asking for a referendum. I do not know that there is any member of the Labour Party in this House who is competent to deal with the question of the referendum. If we had Dr. Maloney from the State Parliament here, he would give us the history of the referendum from Kamchatka to Switzerland and all round the world.

Mr. THOMAS.—He will be here next week.

Mr. WILSON.—That may be, and if we left the consideration of this motion until then it would be better than to suggest a referendum when we do not know a great deal about it. It is proposed that we shall offer to the people of the Transvaal the nostrum of a referendum on this question. In effect, we have had a referendum on this question, because we have had a free expression of the opinions of the people of the Transvaal, of Natal, and of Cape Colony. The people of Cape Colony object to the proposal, and they have a right to do so, because it is probable that in the not very distant future there will be a federated South Africa. The people in Natal would not object, because they already

have indented black labour in that Colony. We in Australia have no right to interfere in this matter.

Mr. WILKS.—What about our citizens there?

Mr. WILSON.—It has been clearly shown by men who can speak for the Transvaal that the introduction of indented labour, whether Chinese or other coloured labour, will increase the demand for white labour in that Colony.

Mr. WEBSTER.—For how long?

Mr. WILSON.—I cannot say. I am not a prophet.

An HONORABLE MEMBER.—What about the kanakas?

Mr. WILSON.—Some persons express one opinion and some another in regard to the exclusion of the kanakas. My conclusion, from what I have heard and read, is that the employment of kanakas in Northern Australia is desirable, and that if it were continued many of the unemployed who are now walking the streets of Brisbane, Sydney, and Melbourne would be able to find work on the land. Of course, some of the so-called unemployed for whom members of the Labour Party express such sympathy, and whom they are always asking the States Governments to spoon-feed, will not leave the dissipation of the cities and cannot be got to work. The honorable member for Bland contends that, because Australia sent contingents to South Africa, we have a right to interfere on this occasion. If that be so, have not the people of Canada, who did as much as we did, the same right? Of course "King Dick," whose country sent contingents, is objecting; but there is no reason why we should follow him in this matter. Apparently the honorable member for Bland, and those whom he leads, believe that they hold a special brief for labour in every part of the world. If this motion be carried, let it be distinctly understood that it originally emanated from the dominant Labour Party of Australia. If that message is flashed across the lines I shall be quite satisfied, because then no notice of our action will be taken in the old country. If we allow this germ of unwarrantable interference to get into Australian politics we shall bring upon ourselves the anathemas of the other self-governing portions of the Empire. What an uproar there would be if the Canadian Government sent a protest to the Government of the Commonwealth complaining of the number of members of the Labour Party in the Federal Parliament! Would not that be characterized as an

unwarrantable interference? Similarly this is an unwarrantable interference in the affairs of South Africa, and may do a considerable amount of harm to the Commonwealth, unless it is made plain that our action is due to the prompting of, and mainly supported by, a certain section in Parliament. The king socialist of the Southern Hemisphere, "King Dick," first brought the matter forward. Then it was discussed in the trades halls in Lygon and Sussex-streets, and finally it has come before this House. I should like to read a few words from the cable from the Colonial Secretary of Pretoria to the Prime Minister of the Commonwealth, dated at Pretoria, 21st January, 1904—

This is not a new resource for South Africa inasmuch as the Colony of Natal a self-governing Colony has found it necessary for many years past to import large numbers of Asiatic labourers.

The importation of these labourers as proposed appears to this Government to be fully justified by circumstances stated.

That is a very mild snub, but we may get a stronger one if we persist. I think that that communication should satisfy us. The people on the spot, who have local knowledge, say most distinctly that the importation of these labourers appears to them fully justified, and, therefore, for us to do anything further would be an unwarrantable interference with their action.

Mr. RONALD (Southern Melbourne).—If there be any force in the contention of the previous speaker that this Parliament is not justified in interfering in this matter, the reply lies in the fact that we have already interfered. The main ground of those who conscientiously objected to the participation of Australia in the Boer War was that it was an unwarrantable interference in the affairs of another country. Our aid, however, was welcome at the time, and it was considered patriotic to show to the world that all parts of the Dominion belong to one undivided Empire. We in Australia have had experience of Asiatics, and can speak with greater authority about them than can persons in the old world. We know what a menace a large influx of mixed races is to our civilization and our common Christianity. The black man and the yellow man are both right in their own places and under their own civilizations, yet their admixture with a white population has a doubly deteriorating effect. But I would remind those who are now entering their emphatic protest against the importation of Chinese into South Africa that the anti-war party pointed out at the start that the war

was a capitalistic war. Although our voice was feeble, we spoke as strongly as we could against any interference in outside affairs. At the time we were told that interference was patriotic, and that that excuse covered everything. It was said that those were traitors who would not support the Empire in her struggles with South Africa. But the curses of our opponents have, like chickens, come home to roost. It has been verified up to the hilt that the war was not one of righteousness, but one having for its object the exploitation of the mines and the white labour of South Africa. The capitalists there, finding that they could not carry on as they did formerly, have resorted to the importation of Chinese to work the mines with cheap and nasty labour. It is time that we protested against this, and lifted up our voices in protest against the insults and obloquy which have been heaped upon those of our young men who have had the bad fortune to go to South Africa, and the worse luck to have to remain there. Australia has been made a by-word in South Africa, not because of the evil deeds of her people there, but because the capitalists of the country are afraid that our spirit and independence will inoculate the serfdom which they wish to maintain. They were only too glad, during the war, to point to the fact that the British dependencies in all parts of the world were sending men to assist Great Britain in the struggle. Our action in interfering then is the precedent we have for interference now. That is an answer to the contention of the previous speaker that we have no right to interfere in Imperial affairs. We were asked to help Great Britain in her struggle for supremacy in South Africa, and our assistance was appreciated. Surely it is no unwarrantable intrusion of our opinions now to inform the people of the old country of our experience here, and to ask them to be guided by it in refusing to sanction the importation of Chinese into South Africa. The Prime Minister is to be heartily complimented upon his courteous yet timely action in seconding the protest made by that gentleman whom my slangy friend, the honorable member for Corangamite, has called "King Dick." I rejoice that Australia has at the head of its Government, administering its foreign affairs, a gentleman who, at a crisis of this kind, can with no uncertain sound voice the unanimous opinion of its Parliament and its people.

Mr. G. B. EDWARDS (South Sydney).—I wish to say a few words, chiefly with the object of briefly explaining the reasons for which I shall support the motion. I think that the occasion has arisen for some such pronouncement of Australian opinion. The honorable member for Bland proved to the hilt that there is reason for our entering some such protest, and forwarding an expression of our opinion to those who superintend the Councils of the nation. The honorable member did full justice to the subject, while the action of the Prime Minister prior to the meeting of Parliament, and his brilliant speech in supporting the motion, are also creditable. We should proceed in this matter with all the dignity we can assume. I deprecate the way in which the discussion has been carried on this evening, and regret that the debate was not concluded last Friday. I am sorry that certain references have been made to a leading statesman of a neighbouring Colony, who was designated by a nickname, because I think they were beneath the dignity of the House. The Prime Minister has laid it down very clearly that we are ahead of the text-books in regard to the diplomatic relations existing between different parts of the Empire. In this connexion I should like to briefly recall to the minds of honorable members some of the circumstances relating to the transportation of convicts from Great Britain to Australia. In 1859 Western Australia clamored for convicts to be sent to that Colony. The cry was that land had decreased in value to 2s. 6d. per acre, that no purchasers were to be found at that price, and that if the settlers could not procure cheap labour they would be unable to successfully grapple with their difficulties. As a result of these representations, the system was continued longer than it otherwise would have been, but those who were aware of the democratic feeling in the adjoining Colonies might well have anticipated what took place. In Victoria an agitation was commenced, and in 1863 Sir John O'Shannessy succeeded in securing the adoption of an address to the Queen protesting strongly against the revival of the transportation of convicts to Western Australia. It was therein stated that the willingness of the people of Western Australia to receive these convicts had been taken for granted. It was denied that they were in favour of the continuance of the transportation system, and it was asserted that

if a vote of the people were taken, they would not support the request preferred. It was argued that even if they were favorable, the English Government should not grant what they desired, because it would be against the interests of the whole of the Empire to continue the system. This representation to the Home Government met with practically no response, and it was followed up in 1864 by Sir James McCulloch, then Premier of Victoria, who wrote a strong Ministerial minute to the Imperial Government, expressing regret that no answer had been vouchsafed to the former communication. I wish particularly to direct attention to the fact that in connexion with that matter communications passed between Victoria and Western Australia, and between Victoria and the other Colonies in reference to the action of Western Australia, and the want of action of the Imperial authorities. The Victorian statesmen of that day even went so far as to threaten extreme reprisals if Western Australia did not see fit to retire from the position she had taken up, or the Imperial Government did not yield to the remonstrances addressed to them. The Government of Victoria threatened that they would prevent the mail steamers from calling at Western Australian ports, and it was also suggested that immigration from Western Australia to the eastern Colonies should be prohibited.

Mr. DEAKIN.—That is a very pertinent precedent.

Mr. G. B. EDWARDS.—Some of the Colonies refused to take part in the agitation, but Victoria ultimately received a reply from the Home Government that the transportation of convicts to Western Australia would be discontinued in two or three years, and that promise was fulfilled. If we desired a constitutional precedent for our present action, I do not think we could find a better one. It must be recollected that Western Australia, although even now far removed from the eastern States, was really more widely separated from us in 1863. It was almost as far away as is South Africa in these days of improved steam communication. Whilst I am somewhat surprised that a motion of this kind should have been brought forward by the Labour Party, who would no doubt most bitterly resent a protest from any other portion of the British Empire upon such a subject, for instance, as the Navigation Bill, I think that it is very much to their

credit that they have submitted the motion. It shows that there is some solidarity between the various elements which compose this great Empire, and that we are desirous that other portions of the Empire shall not labour under disabilities similar to those from which we have had to suffer in times gone by. Perhaps it would be better for us to tone down the terms of the motion by some slight amendment, but some such motion should be carried to-night. I agree with the honorable member for North Sydney that it is rather a pity that some honorable members should have expressed the idea that we have a special right to interfere in this matter because of the assistance we rendered to the mother country in the South African war. I do not think we ought to make too much of that point, because the service we rendered was a mere nothing, from an Empire point of view, and we could not reasonably base any claim upon it. Those, however, who believe in the solidarity of the Empire should at this juncture unite in making a dignified protest against what we conceive to be a great wrong. I do not attach much value to the arguments used by Lord Milner in his despatch to the Secretary of State for the Colonies. Such arguments are always used by British Governors of his class when they are called upon to deal with similar difficulties. He is necessarily surrounded in his Council and elsewhere by mining speculators and investors, whose views would naturally have great weight with him. Although I have had no experience of mining beyond having lost some money in speculations, I venture to say that if the Rand mines were situated at Ballarat we should be very proud to work them with white labour, and, further, that we should derive immense wealth from them. I believe that South Africa would be able to do the same, if it were not for the greedy haste which is now being manifested to rip up the earth and produce wealth in the shortest possible space of time for the benefit of a few capitalists. These men have too long exercised a dominating influence over the affairs of South Africa, and it is not in the interests of the Empire that their present ephemeral views should be allowed to shape the destinies of that great portion of the Empire. I hope that the Imperial authorities will see fit to nullify the Ordinance relating to the admission of Chinese into the Transvaal, and that they will devise

some better means of developing South Africa than that of introducing Asiatic labour. I believe that the future of that portion of the Empire depends upon the introduction of a large British population, which will, like a sponge, ultimately absorb the Dutch element. Unless this is done, we shall have a kind of Irish question in South Africa for centuries to come.

Mr. McCAY (Corinella).—I think I may almost charge the honorable member for Corangamite with being responsible for my rising to address the House. When listening to him I felt that, notwithstanding the variety of methods of debate to which we became accustomed when the Tariff was being discussed, we were for the first time passing through the experience of finding a grave and important subject treated after the manner of the funny column of a Saturday newspaper. Whether we approve of the motion or not, whether we regard it as properly or improperly worded, the matter dealt with is one of very grave importance to the Transvaal, and also to us as a part of the Empire, which is deeply interested in first introducing, and thereafter maintaining, in South Africa, the elements of prosperity and expansion. Whilst the debate has been going on I have read the despatch of the Secretary of State for the Colonies, in reply to the protest of the Government of New Zealand, which was couched in the same words as that from Australia to the Transvaal Government. The Secretary of State for the Colonies says:—

I fully recognise the title of all the self-governing Colonies to explain their opinion on so important a question.

This is a self-governing portion of the Empire, and the Government of Australia in communicating with the Colonial Secretary at Pretoria, has purported to speak for the people of Australia. The Senate has shown that it indorses the action of the Government, and I think that we are almost under an obligation to make known our feelings on the subject. If we do not approve of what has been done it is only right that the Home Government and the Transvaal Government should know that the Commonwealth Government was not expressing the views of Australia. On the other hand, if they were right we should say so. We are practically answering an invitation from the Secretary of State for the Colonies by expressing our

opinion upon this important question. His despatch proceeds—

But His Majesty's Government declares that its policy is to treat the Transvaal as though it were a self-governing Colony.

That is exactly what the motion asks the Secretary of State for the Colonies to do. It asks him to recognise that the Transvaal is not at present self-governing, and either to wait until it is self-governing before taking a step which will probably prove highly detrimental to it, or to avail himself of the only substitute for self-government by ascertaining by means of the referendum the views of the white residents of the Transvaal—the very people who would be able to decide the question if it were a self-governing Colony. In that respect we are complying with the view expressed by the Secretary of State for the Colonies, who goes on to say that it is the policy of the Government, unless a distinct Imperial interest is concerned, to interfere as little as possible with local opinion and local wishes. We venture to think that the local opinion and wishes of the Transvaal have not been ascertained.

Mr. SKENE.—Has the honorable and learned member the wording of the message sent by Mr. Seddon?

Mr. McCAY.—I think that Mr. Seddon's message was a verbatim reproduction of the Prime Minister's message to the Colonial Secretary at Pretoria.

Mr. DEAKIN.—Mr. Seddon adopted our message without a word of alteration.

Mr. McCAY.—I recognise that we should interfere as little as possible with local opinion and local wishes; but I venture to think that in this matter local wishes have not yet been ascertained. I quite agree with the remarks of the honorable member for South Sydney, that it is just possible Lord Milner may be astray as to what local opinion in the Transvaal really is. I have recently had opportunities of conversing with a number of gentlemen from South Africa, and have also communicated with them by post on this very question. They assure me that Lord Milner is astray, for the reason that he is surrounded by those whose interests are in the direction of obtaining cheap labour with which to work the Rand mines rather than of securing a permanent and satisfactory settlement of the Transvaal with a white and practically British population. We merely desire to ascertain

whether the proposal is right or wrong. The motion simply sets out that if the white people of the Transvaal desire the introduction of Chinese labour, much as we should regret their unwisdom, we can have no more to say on the matter. I am also told—not from the South African Lygon-street—that the feeling of the white population of that Colony towards the proposal is very strong indeed. There is, I am assured, far more prospect of bloodshed resulting from the introduction of the Chinese than there was of open hostilities occurring prior to the commencement of the recent South African war. Doubtless that is an exaggerated view of the matter, but it shows that the opinion which exists there is very pronounced indeed. I have only a few more remarks to make, because I am sure the House desires that this matter shall be settled reasonably soon.

Mr. JOHNSON.—The amendment does not preclude the taking of a referendum.

Mr. McCAY.—I am just about to refer to the quibbling which has taken place over the wording of the motion. Members of the legal profession are sometimes taunted with being very fond of quibbling over matters of verbiage. To my mind, however, there has been as much quibbling amongst the lay members of the House over the verbiage of this motion as I ever heard amongst lawyers when discussing a difficult and technical Bill. And it is all absolutely useless and very unwise. Personally I prefer the motion to the amendment, because, if we say that "We regret the introduction of Chinese," we practically admit that their introduction is an accomplished fact and express sorrow that it is so. On the other hand if we record "our grave objection" to their introduction we say in effect that the matter is not yet closed. I venture to think that it is not closed. Public opinion in England, Cape Colony, and Natal—despite the resolution of the Natal Legislature—indeed, public feeling everywhere throughout the Empire is so manifestly dubious as to the wisdom of this step, that it is quite possible it may be reconsidered, and that we may yet see the Transvaal freed from the trouble and danger which threaten it at the present time.

Mr. JOHNSON.—But the amendment does not affirm what the honorable and learned member states.

Mr. McCAY.—I do not think that either the Transvaal or the Imperial authorities

are so "pernikkety," to use an old Scotch word, as to mind whether we say "We record our grave objection," or that "We regret the proposal." Australia, I believe, feels strongly on this matter. It realizes that, by the introduction of Chinese to South Africa, the Empire, and consequently Australia, are being injured. It feels so strongly that, in dignified but decided language, it desires to record its grave objection to the project, in order to show that the Government of Australia, in the action it has taken, has behind it the people of the Commonwealth.

Mr. SKENE (Grampians).—I join with honorable members in regretting that it should be thought necessary in the Transvaal to take any action such as is proposed. I should not have risen to address the House but for the question of verbiage which is involved in this motion. The honorable and learned member for Corinella has pointed out that the messages from the Premier of New Zealand and the Prime Minister of the Commonwealth were received in the most friendly and proper spirit by the Secretary of State for the Colonies. But honorable members should recollect that those messages were couched in language very different from the terms employed in the motion. They have been accepted as official, whereas the motion is couched in language which the very member of this House, who has brought it forward admits to be officious. It is intended that it shall reach somebody by a side-wind. I hold that it is beneath the dignity of this Parliament to pass any motion which we cannot send direct to the central Government of the Empire. That is my objection to the verbiage of it. If the word "object," which it is proposed to substitute for "protest," comes within the official scope of our present relations with the central Government of the Empire, why not forward our expression of opinion to the proper quarter. It is beneath our dignity to pass a motion which is not capable of being transmitted direct to the Secretary of State for the Colonies.

Mr. G. B. EDWARDS.—It will be sent on, will it not?

Mr. SKENE.—I understand that it will not. It is simply to be recorded in our Votes and Proceedings, and there it is to be left. That is not a proper course to pursue. To my mind, the wording of the amendment is better. Although people may talk about "trifling differences of words," there is a great deal lying behind

the objection to this motion on the score of verbiage. If we had an Empire system of government, and were represented on some central Council, such as that which met at the time of the late Queen's Jubilee, we might be in a position to adopt the language of the motion. I think that the Prime Minister was present at some of the meetings of the Imperial Conference then held in England. I recollect that on one occasion Sir Wilfrid Laurier, in addressing the Imperial authorities on this very matter of the Transvaal, said, "If you want our assistance why do you not call us to your counsels?" and I think it was the Duke of Devonshire or the Earl of Onslow who replied, "Ask us to call you to our counsels and you will be surprised at the alacrity with which we shall respond." Had we been represented on such a Council possibly the word "protest" would not have been too strong. But the action of the honorable member who has brought this motion forward shows that it is an officious rather than an official communication.

Mr. WATSON.—How does the honorable member make that out?

Mr. SKENE.—I say that any resolution which we pass, and do not transmit to the central Government of the Empire—

Mr. WATSON.—We are prepared to send it on.

Mr. MCCAY.—Let the honorable member move subsequently that a copy of it be forwarded to the Secretary of State for the Colonies.

Mr. SKENE.—Most certainly I shall do nothing of the kind, because I do not approve of it. If, however, the amendment be carried, I shall be prepared to move in that direction.

Mr. MAUGER.—It will not be carried.

Mr. SKENE.—If the amendment were carried and transmitted to the Imperial authorities as an official resolution, it would be of very much more value than a resolution which is to be left to reach the Home authorities through the medium of press reports. Under the circumstances I shall vote for the amendment.

Mr. BROWN (Canobolas).—As was remarked by the honorable and learned member for Corinella, there has been a great deal of quibbling over the verbiage of this motion. But whilst that is so, no honorable member has supported the policy to which the motion objects, namely, the introduction of Chinese labour to South Africa. If I understood the remarks of the

honorable member for Wilmot aright, he objects, not to the introduction of Chinese to South Africa, but to the interference of Australia in a question which he considers is altogether outside our jurisdiction.

Mr. KELLY.—Does not the honorable member see that, as worded, the motion will constitute a very dangerous precedent?

Mr. BROWN.—No. If I did, probably I should vote with the honorable member. I feel that in passing this motion we shall be merely doing justice to ourselves, and to our relations to South Africa at the present time.

Mr. KELLY.—The Secretary of State for the Colonies recognises the title of the self-governing States to explain their opinions, but not to express their objections.

Mr. BROWN.—We give expression to our opinions by objecting to the introduction of Chinese into the Transvaal. We are not attempting to dictate to the Home Government in any way whatever. We do not ask them to veto the proposed introduction of the Chinese. It is for them to consider whether or not our objections shall weigh with them. Some honorable members are anxious to whittle down this motion to such an extent that it will carry no weight whatever. If it is to have any weight, it must be framed in language which will indicate our strong opinion on the matter. I desire the Home Government to understand that, whilst we do not desire to dictate to them as to the policy which they shall pursue, we object to the introduction of Chinese to South Africa, in the best interests of the Empire itself. It has been urged by the honorable member for Wilmot and several other honorable members, that we propose to deal with a matter which is altogether beyond our scope of action. They contend that we should, so to speak, institute a sort of Monroe doctrine, and abstain from interfering in matters that do not concern us. I hold that we should not unnecessarily interfere with questions that do not particularly concern us; but the limitation does not apply to the matter now before us. We have helped to deprive, at least, the Dutch portion of the white population of South Africa of the rights of self-government.

Mr. KELLY.—Has the Commonwealth, as a Commonwealth, contributed one penny to the cost of the war?

Mr. BROWN.—The people of Australia have, and the Parliament of the Commonwealth is now voicing their wishes. By

our failure to observe the policy of the Monroe doctrine we have assisted to deprive a considerable proportion of the white people of South Africa of the means to express their wish with respect to the proposed introduction of Chinese to the Transvaal. A non-representative form of government has been established for the time being in the Transvaal and Orange River Colonies, and it is that Government which proposes the innovation. In this motion we express our opinion that the contemplated action will not tend to the stability of the Empire. We urge, further, that if the Government consider it necessary to take this step, the white population of the Colonies in question should at least have an opportunity to give expression to their wishes on the subject. If by means of a referendum they declare that in their opinion the innovation will be conducive to the welfare of those Colonies, we shall offer no further objection. We believe that the people themselves should have the right of self-government, and if they decide in favour of the introduction of Chinese to the Transvaal, we shall not attempt to take further action, although we may disagree with their decision. We shall concede to them the right of self-government which we claim for ourselves. I have no desire to review the unfortunate incidents which led up to the war in South Africa; but if it had been understood at the outset that British and Australian money and blood were to be expended in that war for the mere purpose of securing for a few absentee millionaires an opportunity to tear out the natural wealth of the country at a cost less than that which would be involved by the employment of even native labour, I feel satisfied that the people of Australia would not have entered into the struggle with the same determination and zeal that characterized their efforts. We felt that we were fighting for other interests, and that fact should have some weight with the British Government, and lead them to veto the proposed introduction of Chinese labour at all events until the wishes of the people directly concerned have been ascertained. Australia is under some obligation to the people of the Transvaal. We helped to take away from the Boers their national independence. We helped to deprive them of the right of self-government, and therefore we should endeavour, if possible, to prevent the deep injury which it is now proposed to inflict upon them. If we occupied the

position of the Boers, and, instead of having to deal with a just and fair-minded people, such as we consider Britishers to be, were called upon to deal with some great foreign power—Germany, for example—what action should we take? If Germany had acquired Australia, and, whilst proposing to assimilate our race with her own, introduced large hordes of inferior Asiatic races to exploit the natural wealth of the country, should we not feel indignant? Natural racial antipathies would be intensified by the proposal to heap upon us an additional injustice. That is the position of the Boers, and, inasmuch as we assisted to deprive them of their independence, it behoves us to protest as strongly and as reasonably as possible against the perpetration of the further injustice now proposed. The people of Australia have never been able to assimilate with the Chinese races, and the people of South Africa are not likely to do so. If that great country is to be part and parcel of the British Empire, and if the racial differences which have been intensified by the late war are to be removed, this proposal should not be carried out. Can it be suggested that it is a proper way in which to build up a great freedom-loving people? Do we not know, from our experience in Australia, as well as from the experiences of the United States of America, that the Chinese do not help to build up the population and develop the trade, wealth, and stability of a country? When gold-fields are discovered, there comes a large inrush of population, which remains as long as the fields continue to be profitable. But as soon as they become exhausted—and in South Africa as elsewhere that will be only a matter of time—the great bulk of the gold-seekers leave for other parts. Usually, however, a considerable number remain to develop the agricultural and pastoral resources of the country, and in that way help in the work of establishing settled communities. Is it not in that way that England has built up her Colonies? We know that it is, and I contend that the South African Colonies should be built up in the same manner. They can be properly and permanently settled only by the introduction of white labour to develop their resources. If Chinese are utilized in the production of the mineral wealth of the country, they will disappear as soon as the mines become exhausted. The mine-owners themselves will go even before that stage is reached, and

the work of colonization will have to be commenced again.

Mr. POYNTON.—We have a striking example of this in the Northern Territory.

Mr. BROWN.—Quite so. The South Australian Government attempted to develop the Northern Territory by means of Chinese labour. The effort, however, was unsuccessful, and settlement there is now in the last stages of decay. That must continue to be the position until a white population is secured. The same may be said of South Africa. I believe that in the interests, not alone of the people of South Africa, but of the Empire as a whole, these inferior Asiatic races should not be introduced. They do not conduce to Empire building. In Australia they have been naught but an obstacle to our progress, and their presence in South Africa will operate in the same way. I believe that those who advocate the importation of this cheap labour into South Africa do not contend that it will tend to permanently settle the country. They require this labour simply to exploit the mineral wealth of the country. They assert that they cannot carry on operations without it, and that the utilization of Chinese labour will afford increased facilities for the employment of white workers. This has not been our experience, and I do not think that these predictions on the part of the advocates of Chinese labour will be verified. If honorable members turn to to-day's issue of the *Age*, they will find an interesting article, setting forth the yields obtained during last year from the South African mines. Notwithstanding the disorganization caused by the war, and the fact that a great deal of dead work had to be carried out in order to bring the mines up to a workable condition, their returns for the year represented something like £12,500,000, while the total cost of labour, &c., used in securing that result was about £4,500,000. The article shows that the mine-owners, notwithstanding the disadvantages under which the mines were worked, were able to distribute about £3,500,000 by way of dividends, and to carry some £4,500,000 to a reserve fund. These figures show that there is a workable margin for the employment of white labour in the mines of South Africa. The cost of production there compares very favorably with the cost of working the Australian mines. I have here an extract from the *Sydney Worker* of last week, in which a comparison is made between the cost of

working a South African gold-mine with black labour, and that of working an Australian mine—the Scottish Gympie. Without going into details, I may say that it shows that the total cost per ton of ore is £1 6s. 11.14d. per ton in South Africa, while in Australia the cost is 18s. 2.52d. per ton, because of the fact that the country is more easily worked, inasmuch as the lodes are softer than in Australia. Fifty-three stampers in South Africa are able to put through as many tons as 125 stampers in Australia. That shows a very big difference in favour of the labour conditions in South Africa in that particular respect. Still, the mine-owners in that country say that they are not able to profitably produce this mineral wealth without the use of cheap labour. I have no doubt that if public opinion had permitted of the same interests advancing a like argument in Australia, it would have been just as emphatic here as it is in South Africa. I hope that the motion will be carried, and will reach its intended destination. I listened with great pleasure and satisfaction to the very able address of the Prime Minister. I have no doubt that the motion will be carried by a big majority, if a division is called for by those who wish to alter its wording but do not attack its principle. I trust that the Prime Minister will take some means of conveying this further substantial backing to the Imperial Government. The action of the Prime Minister of New Zealand was worthy of him, and creditable to that portion of the British Empire. I have every admiration and respect for the right honorable gentleman who has controlled so ably and so long the destinies of New Zealand, and no belittling reference to him can detract from the great reputation which he has won and the important position which he holds in the British community to-day. I trust that the Prime Minister will have the satisfaction of transmitting to the Imperial Government the motion as it now stands on the business-paper, as a substantial backing to the very proper representations which he has already seen fit to make to them.

Mr. WEBSTER (Gwydir).—I heartily agree with the motion. The amendments which have been put forward by enthusiastic new members of the House do not seem to me to contain anything worth taking up time in replying to.

Mr. CAMERON.—Do not take up the time then.

Mr. WEBSTER.—Perhaps when the honorable member comes to reflect he may regret that he took up so much time this evening. The honorable member for Wil-mot and the honorable member for Corangamite are the only two sympathizers in the House with the mine-owners in the Transvaal.

Mr. WATSON.—With the Chinese?

Mr. WEBSTER.—I am happy to say that they are the only two members of the House who have come forward to express their opinion in favour of Chinese immigration into that country.

Mr. CAMERON.—I have said nothing of the kind.

Mr. WEBSTER.—The honorable member quoted from the communication which was received from the Government of the Transvaal, and when he quotes from a document of that kind he practically fathers its contents. After the able statement of his case by the honorable member for Bland, the eloquent support of the motion by the Prime Minister, and the very forcible expression of his opinion by the right honorable member for Adelaide, it would indeed be a waste of time on my part to delay the House any longer in trying to advance any other reasons in its favour—not, perhaps, nearly as ably as those honorable members did. Therefore, I content myself with stating that I support the motion, because I think it is calculated to express the opinion of the House and of the people of this Commonwealth.

Sir LANGDON BONYTHON (Barker).—I know that there is a general desire that this debate shall be brought to a close, and therefore I have no intention of detaining honorable members very long; but I feel that I should say a word or two so that I may not record a silent vote. In the debate on the Address in Reply to the speech of the Governor-General I indicated, I think, with some clearness my attitude, which is one of strenuous opposition to the introduction of Chinese to the Transvaal. I am not quite sure that if I had drafted the motion I should have adopted the precise form which the honorable member for Bland has done. I am disposed to think that it would have been better simply to indorse the action of the Prime Minister. Still, the exact form of the motion is neither here nor there. In essence it expresses my views, and therefore it will receive my very cordial support. It

seems to me that the introduction of Chinese to South Africa would be a great mistake. I think that the greed of the individual should in no way control the case. We should not forget that if a Chinese settlement were established in South Africa there would be the possibility of complications with China arising in the future. Whether we look at this matter from the stand-point of the Empire, or from that of the European labourer, it is clear to me that Australia is justified in expressing its strongest disapprobation.

Mr. WATSON (Bland).—I do not desire to do more in my reply than to express my gratification at the unanimity which prevails in the House in respect to the general tenor of this proposal. There have, indeed, been two honorable members who have expressed their antagonism to the idea which is involved in the motion, but they only serve to accentuate the unanimity of the rest of the House. Regarding the amendments which have been suggested, there is always a great difficulty in framing a motion which will embody accurately the desire of all of those who may be willing to support it. In this case there are almost as many varying ideas as to what the phraseology of the motion should be, as there are honorable members willing to support its adoption. If I had consulted my own feelings and those of some of the honorable members with whom I am associated it would probably have been couched in stronger language than it is. But with a desire to secure unanimity, I was willing to forego my own views in that respect. I ask honorable members now to look rather to the spirit behind the motion than to attempt the almost impossible task of making it accurately express the views of each individual. I trust that the motion will be carried, not by an overwhelming majority, but without opposition at all, in the interests of our fellow-citizens in South Africa, who would have to suffer from the effects of this error if it were perpetrated.

Question—That the words proposed to be omitted stand part of the question—put.
The House divided.

Ayes ...	...	...	...	45
Noes ...	...	...	...	13
				—
Majority	...	...	...	32

AYES.

Bamford, F. W.
 Batchelor, E. L.
 Bonython, Sir L.
 Brown, T.
 Carpenter, W. H.
 Chapman, A.
 Cook, J.
 Crouch, R. A.
 Culpin, M.
 Deakin, A.
 Fisher, A.
 Forrest, Sir J.
 Fowler, J. M.
 Frazer, C. E.
 Fuller, G. W.
 Fysh, Sir P. O.
 Groom, L. E.
 Higgins, H. B.
 Hutchison, J.
 Kennedy, T.
 Kingston, C. C.
 Lee, H. W.
 Lyne, Sir W. J.
 Mahon, H.

McCay, J. W.
 McColl, J. H.
 McDonald, C.
 McLean, A.
 O'Malley, K.
 Page, J.
 Quick, Sir J.
 Ronald, J. B.
 Smith, S.
 Spence, W. G.
 Storrer, D.
 Thomas, J.
 Thomson, David
 Tudor, F. G.
 Watkins, D.
 Watson, J. C.
 Webster, W.
 Wilkinson, J.
 Wilks, W. H.

Tellers.

Mauger, S.
 Poynton, A.

NOES.

Cameron, D. N.
 Edwards, G. B.
 Gibb, J.
 Glynn, P. McM.
 Kelly, W. H.
 Knox, W.
 Liddell, F.
 McWilliams, W. J.

Skene, T.
 Thomson, Dugald
 Wilson, J. G.

Tellers.

Edwards, R.
 Johnson, W. E.

PAIR.

Isaacs, I. A. | Conroy, A. H.

Question so resolved in the affirmative.

Amendment negatived.

The question—"That the motion be agreed to"—having been put,

Mr. SPEAKER.—I think the "Ayes" have it.

Mr. WATSON.—Honorable members opposite will not take the challenge.

Mr. CAMERON.—We will take the challenge, then.

Mr. SPEAKER.—The call for a division came after the usual time that is allowed. Some time elapsed before there was any call, and then I think only one honorable member asked for a division; but if two honorable members desire a division, it will be taken.

Mr. CAMERON.—I desire to have a division.

Mr. WILSON.—I also desire to have a division.

Original question put. The House divided.

Ayes	54
Noes	5

Majority	49
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AYES.

Bamford, F. W.
 Batchelor, E. L.
 Bonython, Sir J. L.
 Brown, T.
 Carpenter, W. H.
 Chapman, A.
 Cook, J.
 Crouch, R. A.
 Culpin, M.
 Deakin, A.
 Edwards, G. B.
 Forrest, Sir J.
 Fowler, J. M.
 Frazer, C. E.
 Fuller, G. W.
 Fysh, Sir P. O.
 Glynn, P. McM.
 Groom, L. E.
 Higgins, H. B.
 Hutchison, J.
 Isaacs, I. A.
 Johnson, W. E.
 Kelly, W. H.
 Kennedy, T.
 Kingston, C. C.
 Knox, W.
 Lee, H. W.
 Liddell, F.

Lyne, Sir W. J.
 Mahon, H.
 Mauger, S.
 McCay, J. W.
 McColl, J. H.
 McDonald, C.
 McLean, A.
 McWilliams, W. J.
 O'Malley, K.
 Page, J.
 Poynton, A.
 Quick, Sir J.
 Ronald, J. B.
 Smith, S.
 Spence, W. G.
 Storrer, D.
 Thomas, J.
 Thomson, David
 Thomson, Dugald
 Watkins, D.
 Watson, J. C.
 Webster, W.
 Wilkinson, J.
 Wilks, W. H.

Tellers.

Fisher, A.
 Tudor, F. G.

NOES.

Edwards, R.
 Gibb, J.
 Wilson, J. G.

Tellers.

Cameron, D. N.
 Skene, T.

Question so resolved in the affirmative.

ADJOURNMENT.

ELECTION EXPENSES RETURN: REMUNERATION OF POLL CLERKS.

Mr. DEAKIN (Ballarat—Minister for External Affairs).—I move—

That the House do now adjourn.

I have to intimate to honorable members that the Bounty on Manufactures Bill will be the first business to-morrow, when the second reading will be moved by the Minister for Trade and Customs. If it is found inconvenient to proceed with the debate on that Bill to-morrow, an opportunity may be afforded to the honorable member for Echuca to submit a motion which stands on the notice-paper in his name.

Mr. G. B. EDWARDS (South Sydney).—I should like to ask the Minister for Home Affairs, whether he is aware that the election expenses return, although it has already been corrected in some particulars, is still incorrect, and that, at any rate in one State, the expenditure was very much in excess of the amount shown. It would appear as though the Department had issued the return before they were in possession of the necessary details, and that the

claim of economy and cheapness in the conduct of the elections is not justified by actual fact. It would have been far better for the Department to have waited until particulars of all items of expenditure had been received before issuing a return, rather than be compelled to issue supplementary returns. I believe I am correctly informed that a very considerable expense incurred in New South Wales is not shown in the return last presented, and I presume the same may be the case in regard to other States. Seeing that we are basing arguments on the figures supplied to us, it would, as I say, have been far better to have delayed their issue until accurate particulars enable correct deductions to be drawn.

Sir JOHN FORREST (Swan—Minister for Home Affairs).—The object in issuing the return to which the honorable member refers, was to give the House the desired information, so far as I had it myself, at the earliest opportunity. I was informed that the amount of £1000, shown in the return, was ample to cover all outstanding accounts, and since then I have heard nothing to the contrary. I was particular in asking the Department to exercise great care, and I was assured that the total amount of the expenses of the election as set forth would not be exceeded. However, I shall be very glad to again look into the matter, and, when the whole of the accounts have been received, to have the return made absolutely complete.

Mr. MAUGER (Melbourne Ports).—I should like the Minister for Home Affairs, if he can see his way clear, to, at any rate, consider the advisability of making the remuneration to the various poll clerks something like commensurate with the work they do. I understand that 15s. was paid to poll clerks for a day's work of sixteen hours.

Sir JOHN FORREST.—There were a great many applicants for the positions.

Mr. MAUGER.—In this connexion, there has been an amount of sweating not very creditable to the Department, and I hope the Minister will take the matter into consideration.

Mr. POYNTON.—Some of the men employed received three guineas for three weeks' work.

Mr. MAUGER.—I hope that the Government will take care that poll clerks in Commonwealth elections are paid as much as is paid to poll clerks in State elections. The payment in the case of the States is

by no means extravagant; and if £40,000 has been saved by the Commonwealth, at the expense of those who did the drudgery, that is not a fact to be proud of. I hope that in the forthcoming election in the Melbourne constituency those who do the work will be adequately paid.

Question resolved in the affirmative.

House adjourned at 10 p.m.

House of Representatives.

Wednesday, 23 March, 1904.

Mr. SPEAKER took the chair at 2.30 p.m., and read prayers.

ENGLISH MAIL CONTRACT.

Mr. R. EDWARDS.—In view of the fact that the present contract for carrying the mails between Australia and Great Britain will terminate in January next, will the Postmaster-General inform honorable members what the Government propose to do to secure the regular and prompt delivery of mails when the present contract expires?

Sir PHILIP FYSH.—I should like the honorable member to give notice of the question in order that I may give the matter proper consideration. In the meantime I may state that nothing has been done beyond inviting tenders.

FEDERAL WEATHER BUREAU.

Mr. GROOM.—I desire to ask the Prime Minister what is the present state of the negotiations pending between the Commonwealth and the States with respect to the establishment of a Federal weather bureau?

Mr. DEAKIN.—What may be termed the negotiations commenced with a proposition submitted by the Queensland Government, with a view to secure the assistance of other States in maintaining their meteorological bureaux. The other States, however, declined to contribute, and the Queensland Government then made arrangements of its own, which, I believe, have since been terminated. These were the only negotiations worthy of the name, and the net result has been that the State of Queensland alone has ceased to present its local weather reports from data generally derived. In connexion with the correspondence which took place with the

various States last year, we obtained from them a statement of the work undertaken by their observatories, and an expression of their wishes with regard to the future establishment of a meteorological bureau by the Federal Government. They were not in complete agreement upon the matter, and the figures submitted evidently needed a good deal of analysis in order to determine the reasonable cost of maintaining such a bureau. In view of the fact that all the States, except Queensland, have continued to publish their local forecasts, the establishment of a Federal bureau has not been regarded as a matter of immediate urgency, and as it would involve further expense, it would have to be carefully looked into. I fully admit that a weather-forecasting bureau would be an essential part of an agricultural bureau such as we intend to establish.

WIMMERA ELECTION.

Mr. FULLER.—I desire to know if the Minister for Home Affairs will, on the next sitting day, lay on the table all the papers relating to the acceptance of Q votes at the Wimmera election?

Sir JOHN FORREST.—I shall be glad if the honorable and learned member will indicate what he requires. So far as I know, all the correspondence has already been laid upon the table. If the honorable and learned member will particularize the information he desires, I shall do what I can to meet his wishes.

Mr. FULLER.—If there are any further papers in the shape of correspondence and telegrams which have not yet been brought before the House, will the Minister undertake to lay them on the table?

Sir JOHN FORREST.—I shall look into the matter, and see if there are any papers which have not already been presented to the House.

Mr. FULLER.—I cannot tell what they are.

Sir JOHN FORREST.—The honorable and learned member has threshed this matter to death. So far as I am aware, he already has all the information that is of any use.

Mr. FULLER.—There has already been an attempt at concealment, and I desire to have all the papers laid before the House.

Sir JOHN FORREST.—I deny that absolutely. There has been no such attempt, and I do not think that the honor-

able and learned member should make that statement.

LANDING WAITERS' SALARIES.

Sir LANGDON BONYTHON.—I desire to ask the Minister for Trade and Customs whether the landing waiters who perform identical work in all the States are treated on a uniform basis with regard to salary. If not, what is the explanation?

Sir WILLIAM LYNE.—I presume that the honorable member is referring to the salaries paid to the landing waiters in South Australia, which were not so high as those provided for in some of the other States. I have inquired as to the reason of this, and find that it is not proposed to disturb present arrangements until the re-classification which is now proceeding is completed. I presume that all inconsistencies will then be removed.

CANDIDATES' EXPENSES: INVALID ELECTIONS.

Mr. POYNTON.—I wish to ask the Minister for Home Affairs whether, in view of the fact that there has been apparent bungling on the part of the officers charged with the administration of the Electoral Act, it is the intention of the Government to defray the expenses incurred by candidates in cases where the irregularities which have been the subject of inquiry were not due to any fault of the electors or to the candidates?

Sir JOHN FORREST.—To what elections does the honorable member refer?

Mr. POYNTON.—To such elections as those in the Wimmera and Melbourne divisions.

Mr. McCAY.—The petitioner abandoned his petition in the Wimmera case.

Mr. POYNTON.—Nevertheless the inquiry showed that the irregularities were caused by mismanagement on the part of the Electoral Department officers.

Mr. TUDOR.—That might apply to the Melbourne electorate, but not to the case of the Wimmera.

Mr. POYNTON.—The instructions given to the returning officer to use his own discretion were quite sufficient to justify the claim that the expenses incurred by candidates in connexion with the inquiry should be borne by the Government.

Sir JOHN FORREST.—I presume that if any one has a claim to make he will bring it forward in the ordinary way, and that it will be dealt with on its merits. So far as

I am aware no representations have been made to the Government with regard to the Wimmera election.

MEDICAL CHESTS FOR TELEGRAPH STATIONS.

Sir LANGDON BONYTHON.—When the stations on the Port Darwin telegraph line were under the control of the South Australian Government, the far-away stations were supplied with medical chests, which were found of great service in cases of sudden illness amongst members of the telegraph staff, travellers, and the aborigines. I wish to ask whether it is a fact, as reported, that these medical chests have been withdrawn?

Sir PHILIP FYSH.—Speaking from memory, I am not aware that there has been any change in the practice which has hitherto prevailed. I believe that medical chests are still supplied to the far-away stations.

SIMULTANEOUS TELEGRAPHING AND TELEPHONING.

Mr. WILKINSON asked the Postmaster-General, *upon notice*—

1. Whether his attention has been directed to a system of simultaneous telegraphing and telephoning over the same wire, invented by Signors Turchi and Brune, which has been in operation for several months on a section of line from Bologna, Italy, and proved eminently successful.

2. Seeing that some such system would enable the Department to extend the benefits of telephonic communication immensely, will he endeavour to obtain full particulars regarding this invention with a view to ascertaining its applicability to the requirements of the Commonwealth?

Sir PHILIP FYSH.—The answers to the honorable member's questions are as follows:—

1. The attention of the Postmaster-General has been directed to this matter.

2. Several systems of simultaneous telegraphy and telephony have been in operation in the different States for some years, and their operations considerably extended of late, and will continue to be in every suitable locality. But as that referred to apparently presents some additional advantages, steps are being taken to obtain further information from the inventor.

REGISTRATION OF BIRTHS AND DEATHS.

Mr. KELLY asked the Postmaster-General, *upon notice*—

1. Whether he is aware that the registration of births and deaths in Randwick, New South Wales, is being carried out by the Post-office officials in that suburb?

2. If so, what arrangement has the Commonwealth Government come to with the State Government for the transaction of this business?

3. Will the practice be continued?

Sir PHILIP FYSH.—The answer to the honorable member's questions is as follows:—

Information is being obtained, and a reply will be furnished in due course

POSTAL EMPLOYEES ASSOCIATIONS.

Mr. TUDOR asked the Postmaster-General, *upon notice*—

1. Whether he is aware that the Deputy Postmaster-General of Victoria has refused to recognise associations in his Department, and has declined to forward any communication sent by them to the Postmaster-General, although these associations have been recognised by the Public Service Commissioner, and also by the Postmaster-General?

2. Will he take steps to see that the rights of the men are recognised by the Deputy Postmaster-General?

Sir PHILIP FYSH.—The answer to the honorable member's questions is as follows:—

Information is being obtained, and a reply will be furnished in due course.

MANUFACTURES ENCOURAGEMENT BILL.

SECOND READING.

Sir WILLIAM LYNE (Hume—Minister for Trade and Customs).—I move—

That the Bill be now read a second time.

In dealing with this matter I hope to be able to compress what I have to say in as short a space as possible, principally because on a previous occasion, the right honorable member for Adelaide moved the second reading of an almost identical measure, and, in the course of his speech, dealt with numerous points. In submitting this Bill, however, it is impossible to avoid touching upon some of those points and its salient features. It is, perhaps, scarcely necessary for me to recapitulate what has occurred in connexion with it. It will be remembered that when the Tariff was under review in the first Parliament, the consideration of this particular portion of it was not completed. I refer to the matter now, because some honorable members urge that in introducing this Bill, the Government are re-opening the fiscal question. I think I may fairly claim that we are not doing so. When the measure was originally submitted by the right honorable member for Adelaide, he spoke in these terms—

The Bill which honorable members have before them is intended to complete the scheme of encouragement to local manufactures, which was foreshadowed and discussed in connexion with Division VI. of the Tariff.

These remarks show conclusively that at that time it was fully intended that this matter should be dealt with in order to make the Tariff complete. I hold, therefore, that we are not reviving the fiscal issue, but simply fulfilling a promise.

Mr. PAGE.—The Minister has already stated that the Bill forms a part of the Tariff.

Sir WILLIAM LYNE.—I have, but other honorable members declare that it is not, and that is why I am again referring to the matter.

Mr. PAGE.—The honorable gentleman is flogging a dead horse.

Sir WILLIAM LYNE.—I am doing nothing of the kind. I am rather surprised at the attitude of the honorable member for Maranoa, because if ever there was a case which should appeal to free-traders it is one of this character. To a very large extent a bounty is a free-trade inducement to establish industries. Throughout the Commonwealth—and, indeed, throughout the world—free-traders have advocated the granting of bounties in preference to the adoption of a protective Tariff. I am astonished to hear free-traders speak of a bounty as if it were a duty—

Mr. G. B. EDWARDS.—This Bill raises the financial question as well as the fiscal issue.

Sir WILLIAM LYNE.—The honorable member is perfectly aware that the measure is necessary to the completion of the Tariff, and the Government would be to blame if they did not submit it. Its consideration was not completed last session, chiefly because the Select Committee which was subsequently converted into a Royal Commission, the right honorable member for Adelaide being chairman, had not completed its labours when Parliament was prorogued. Its report is favorable to the passing of a Bill of this character. The only new provision in the measure is one which was recommended by the Commission.

Mr. KINGSTON.—The right of purchase provision?

Sir WILLIAM LYNE.—Yes. That is the only feature in which it differs from the Bill which was submitted by the right honorable member for Adelaide. The report of the Commission, to which I have referred, contains some very useful suggestions. It states—

Your Commissioners do not lose sight of the fact that the bonus system in Canada was accompanied by a duty on imports. Your Commissioners, however, do not recommend the immediate imposition of a Customs duty, as, pending

a local supply sufficient for Australian requirements, the result might be to temporarily raise the price to the consumer, which should be avoided.

In this connexion I would further point out that in 1891, when the New South Wales Tariff was introduced, a duty was imposed upon pig iron, but, realizing what was evidently in the minds of the Commissioners who recently investigated this matter, the State Government of the day did not make the duty effective until twelve months later. The delay in bringing it into operation was intended to enable those who contemplated the establishment of iron-works to carry out their purpose. The object thus sought to be attained was to avoid the price being raised before the works had been established. The works, however, were not established, and at the expiration of twelve months the fear that the imposition of the duty in the event of the non-establishment of works would cause the price of pig iron to be raised was realized. The duty remained, and as there was no local output, the price was no doubt increased. This Bill will obviate the possibility of the repetition of such an experience. When the matter was before the last Parliament, the question of the power of the Commonwealth to embark upon the industry was raised, and was subsequently considered by the Commission. The Commission obtained the opinion of the Attorney-General, and that opinion, which is given in an appendix to the report, is to the effect that the undertaking is one which the Commonwealth Government could not enter upon. The question first arose in connexion with the proposal that the industry should be a State monopoly, and that if any of the States refused to establish the necessary works the Commonwealth should step in and commence operations. In the opinion of the Attorney-General, however, the Federal Government could not take action in that direction. The report of the Commission, which is a very valuable one, is signed by the Chairman, the Right Honorable C. C. Kingston, as well as by Mr. Littleton E. Groom, Mr. J. Whiteside McCay, Mr. Samuel Mauer, the late Sir Edward Bradon—who dissented from paragraph *b* of section 20—and Mr. David Watkins. There is also a minority report.

Mr. DUGALD THOMSON.—Signed by the same number of members.

Sir WILLIAM LYNE.—Quite so. I cannot refrain, however, from expressing my surprise that the honorable member for

Bland should have attached his signature to the minority report, which is also signed by Mr. W. M. Hughes, Mr. Samuel Winter-Cooke, Mr. J. W. Kirwan, Mr. George W. Fuller, and Mr. Joseph Cook. That report practically seeks to prevent the establishment of the industry save by a State Government.

Mr. CONROY.—Do the Government propose to raise the money necessary for the payment of these bounties by means of direct taxation?

Sir WILLIAM LYNE.—When the honorable and learned member puts a pertinent question to me I shall be prepared to answer it. I am not dealing with the point raised by him at the present time, but at a later stage I shall place before him and honorable members generally some interesting particulars relative to the history of the industry in other parts of the world. It appears to me that there are some persons in this community who decline to take cognisance of what has been done in this direction in other parts of the world, and who refuse to recognise that it is only by the giving of bounties, or the imposition of protective duties, that we can foster and encourage an industry which is perhaps second to none. Before going into details as to the history of the industry elsewhere, I would point out that the report of those who dissent from our proposal sets forth that—

There can be no guarantee that the bonuses proposed would permanently establish the industry, though it is probable the inducements offered might be instrumental in forming speculative companies.

The only parallel case to which we can turn shows that the industry can be established only in the way proposed by us. In Canada the iron industry was created by the giving of bonuses as well as by the imposition of a duty, and I intend to place before honorable members some information as to the present output of pig iron in that part of the Empire, as well as the number of persons now employed in the industry there, as the direct result of the fostering influences of a system of bounties. Although free-traders may object to the imposition of a duty on pig iron, in this they cannot base their opposition to the Bill, inasmuch as we simply propose for the time being to give bounties.

Mr. KELLY.—To tax the many for the benefit of the few.

Sir WILLIAM LYNE.—The honorable member, if I may be allowed to say so, has not been long enough in the world of

politics, nor has he sufficiently studied questions of political economy, to enable him to express an opinion on that point. The question is one that is exercising larger minds than that of the honorable member.

Mr. KELLY.—Do the Government say that direct taxation will be necessary in order to provide these bounties?

Sir WILLIAM LYNE.—I contend that in the end the adoption of this policy will reduce taxation—that the majority will not be taxed for the benefit of the few. The result of the giving of bounties is similar to that which follows the imposition of any properly applied protective duty—as soon as the industry which it is designed to foster has been established, the general body of the people are benefited, and the riches of the few are certainly not increased.

Mr. SYDNEY SMITH.—What does the minority report say?

Sir WILLIAM LYNE.—It is useless for the honorable member to interrupt me, for I do not propose to allow him to lead me off the track. The question is a serious one, and demands something more than the mere smiles of honorable members of the Opposition, who evidently do not care what happens to the labouring classes.

Mr. SYDNEY SMITH.—The Government will find it a very serious matter before they have finished with it.

Sir WILLIAM LYNE.—Not in the sense suggested by the honorable member.

Mr. SYDNEY SMITH.—The leader of the Labour Party is opposed to the proposal.

Sir WILLIAM LYNE.—I have already expressed my surprise that the leader of the Labour Party should have signed the minority report.

Mr. SYDNEY SMITH.—I think that the honorable member showed his wisdom by signing it.

Sir WILLIAM LYNE.—If the honorable member will restrain himself I shall esteem it a favour. I propose to put forward facts which will show that, although the honorable member for Bland may be doing what he believes to be right in assenting to the minority report, he is really inflicting an injury on the class that he represents.

Mr. PAGE.—The Labour Party represents not a class, but the masses.

Sir WILLIAM LYNE.—Whether the honorable member chooses to say that he represents the labouring classes, or that he represents the masses, the fact remains that he and his party represent a class. I have

touched on the main features of the report, which strongly advocates the establishment of the industry on the lines proposed in the Bill placed before the last Parliament, but suggests that provision should be made to enable a State Government to take over the industry. We have adopted that suggestion, which is to be found embodied in clauses 8 and 9. Clause 8 provides—

1. All bounties in respect of pig iron, puddled bar iron, or steel, shall be granted on the condition that the manufacturer shall, if required pursuant to this Act, assign as hereinafter provided the lands, buildings, plant, machinery, appliances, and material used in the manufacture of the goods.

2. The Governor of the State in which the manufacturer manufactures the goods may, if thereto authorized by an Act of the Parliament of the State, by order published in the *Government Gazette* of the State, direct the manufacturer to assign to the State the lands, building, plant, machinery, appliances, and material used in the manufacture, and upon the publication of the order, the same shall, by force of this Act, be assigned to and vested in the State accordingly.

3. The State shall compensate the manufacturer for the value of the lands, buildings, plant, machinery, appliances, and material at such valuation as is agreed upon, or as is in default of agreement settled by arbitration in the manner described.

Then in clause 9 it is provided that—

The Minister for Trade and Customs may, so soon as he is satisfied that the manufacture of any goods mentioned in section six has been sufficiently established in the Commonwealth within the meaning of Division VIA. of the schedule to the *Customs Tariff* 1902, certify accordingly.

This is a slight departure from the provisions of the first Bill, and the only other alteration relates to the dates in the schedule. I referred just now to the establishment of the iron industry in Canada, where for a considerable time past the authorities have been dealing with this question. It was in 1883 that the Canadian Government introduced a system of bounties; and they continued to pay certain bounties up to the year 1899. At the end of that period it was proposed that they should be continued until 30th June, 1907, at a yearly diminishing rate; that 90 per cent. should be paid in 1902-3, and 75 per cent. in 1903-4, and that further reductions should be made every year until in 1906-7 only 20 per cent. should be paid. But by an Act passed in the year 1903 it was decided that the bounties should be continued until 30th June, 1907, subject to annual reductions as follows:—Ninety per cent. to be paid in 1903-4; 75 per cent. in 1904-5; 55 per cent. 1905-6; and 35

per cent. in 1906-7. It has been urged that the proposal to assist investors to establish a great undertaking of this kind is a most improper one. But during the whole of the period I have named—from 1883 to 1902—the total money paid by way of bounties in Canada was only £642,840. If honorable members give the matter a moment's consideration they will recognise that, spread over so long a period, the sum thus paid away by the Canadian Government, in order to establish the industry, was not a very large one. For very many years I have taken a great interest in the establishment of this industry in New South Wales. An agreement was practically entered into between the Blythe River Company and the Government of that State to get a certain large order, so as to enable the works to be started; but at the last moment the company said that they could not proceed with any degree of success, or certainty, or security, unless they got something more. That I declined to give, and the result was that the document was not signed.

Mr. WILLIS.—What was the something more?

Sir WILLIAM LYNE.—They asked for an order to supply not only steel rails, but all manufactured iron and steel required by the Government of the State.

Mr. WILLIS.—Pipes?

Sir WILLIAM LYNE.—No. I declined to give them that privilege. But the argument which was used then, and which is used now with very great force, is that not only do the company require to have an incentive to carry out these works, but powerful companies in other parts of the world should not be able to swoop down upon them at any moment with a view to destroy them, and to get the trade here.

Mr. DUGALD THOMSON.—The Blythe River Company offered to erect works if the Government would give them certain conditions.

Sir WILLIAM LYNE.—What that company were willing to do was to take their chance to a certain extent. The offer was made just before the Commonwealth was established, and of course at that time we could not deal with the Tariff in New South Wales. The company were prepared to enter into negotiations, and expected that the Commonwealth Government would protect the industry. I shall give the honorable member for North Sydney another reason why it is

necessary to help the starting of this industry. No doubt he is aware that the works at Lithgow were started by Mr. Rutherford, of Cobb and Co., many years ago. He spent between £100,000 and £200,000 in attempting to establish it. When he tried to sell his iron to the various houses in Sydney he was threatened that if he attempted to proceed they would import iron and sell it at a loss of £2 a ton until his works were crushed. They carried out their threat, and that is the reason why the works at Lithgow are not the great success they should be to-day.

Mr. DUGALD THOMSON.—A fortune has been made out of the works since that time.

Sir WILLIAM LYNE.—I happen to know something about the financial position of the works, and I do not know that a fortune has been made out of them. What we desire to do now is to prevent a repetition of that failure. In Canada the payment of a bonus was commenced in 1883, and it was increased to as high as 12s. 6d. per ton for pig iron. It is now reduced to 11s. 3d., I think, and it is falling each year. The following table shows the production of pig iron in Canada and the United States for the years 1884 to 1902, the particulars being taken from the *Canadian Year Book* for 1902, page 471 :—

Year :	Canada :	United States :
Ended	Tons	Tons.
June 30.	(2,000 lbs.).	(2,000 lbs.).
1884	29,593	4,589,612
1885	25,770	4,529,869
1886	26,180	6,365,328
1887	39,717	7,187,206
1888	22,209	7,268,507
1889	24,823	8,516,079
1890	25,697	10,307,028
1891	20,153	9,273,454
1892	30,294	10,255,840
1893	46,948	7,979,442
1894	62,522	7,456,275
1895	37,829	10,579,865
1896	60,030	9,057,902
1897	53,796	10,811,002
1898	73,039	13,186,806
1899	78,047	15,253,387
1900	101,839	15,443,951
1901	150,339	17,783,756
1902	341,554	19,959,856

The annual consumption of iron and steel and their products in Canada is between 800,000 and 820,000 tons. The united investment at Sydney, Hamilton, Deseronto, Midland, New Glasgow, Radnor, Drummondville, and Ferrona, amounts to nearly £5,000,000, which will be increased to £7,000,000 by new plant now building. Within five or six years the total investment will aggregate, approximately,

Sir William Lyne.

£10,000,000. Honorable members should not forget that Canada is placed in quite a different position from Australia in this regard. The Dominion adjoins a country that is producing the most iron to-day. The Americans have simply to send their iron or steel across the border, with the result, it may be, to sweep the industry out of existence in the Dominion.

Mr. GLYNN.—They exported over 100,000 tons from Canada to England last year.

Sir WILLIAM LYNE.—I believe that they did. I know that they exported a great deal more from the United States.

Mr. GLYNN.—It was a case of over-production.

Sir WILLIAM LYNE.—No, the production in Canada is not equal to the requirements, as I shall show the honorable and learned member presently. In the United States the iron industry was started under the fostering influence, not so much of a bonus, as of a very high tariff, which honorable members opposite, as free-traders, would object to very much more strongly than they would to a bonus.

Mr. GLYNN.—They had 100 per cent. in 1826.

Sir WILLIAM LYNE.—The United States produced 7,120,362 tons of iron ore in 1887, 16,036,043 tons in 1890, and 24,683,173 tons in 1899—not double, but a third more than any other nation in the world—under the strong influence of a high protective policy. If any nation is competing with other nations successfully, it is the United States, whose iron industry is not only supplying local requirements, but is undercutting, selling, and destroying the industry in other countries in which there is no bonus or duty to protect it.

Mr. THOMAS.—This is raising the fiscal question.

Sir WILLIAM LYNE.—It is simply raised in connexion with the completion of the Tariff. The honorable member is fond of a joke, and he is only joking now.

Mr. PAGE.—The Government will not find that it is a joke when a vote is taken.

Sir WILLIAM LYNE.—We shall see about that. If honorable members are determined to destroy or stop the establishment of the industry that is not my fault. The Government are compelled in the interests of the people of this country, more particularly the labouring classes, to see that an opportunity is given to deal with an important question of this kind. I have

not been able to get the returns for the United States since 1899, but I have no doubt that during the last three or four years the figures for that year have been very much added to. In 1899 Germany produced 17,970,679 tons, Great Britain only 14,461,330 tons, France 5,067,500 tons, Spain 9,234,302 tons, and Russia 4,871,461 tons. I have quoted the returns for the principal iron-producing countries. I think that the figures ought to show honorable members what a danger the industry might run here if it were not protected or assisted in some measure against a nation like the United States, producing as it does that immense quantity of iron each year. There is great necessity to deal with a question of this kind. The production of pig-iron in Canada amounted to 341,554 tons in 1902. I have stated the production in the United States in 1902 to be 19,959,856 tons; and the world's total production for the same year was 49,072,065 tons. It is well known to honorable members that the right to grant bounties is vested in the Parliament of the Commonwealth. If we could say to the States, "You have the power to give this industry a bounty," there might be some reason in any one saying that the Federal Government should not deal with the question, but under the terms of the Constitution that cannot be done. Therefore the grave responsibility is thrown upon this Parliament of seeing that the apathy that has hitherto prevailed does not continue. In regard to the employment which would be given, some years ago I had some interviews with a large iron manufacturer in Great Britain, Mr. Carson. He told me that the amount of employment would be larger in connexion with even one established iron works than has been stated in the evidence given before the Royal Commission. He also said that the output would be greater than was there stated. I find that the importation of iron into Australia amounts to about 150,000 tons a year; in addition to which, there is a further expenditure upon imported machinery. In America, 24,000,000 tons of iron ore are produced per annum, and 145,000 hands are employed. Consequently, I calculate that the number of hands employed in Australia would be 3,000. But the information I obtained from Mr. Carson in regard to the iron industry was greater than I have been able to gather from any other quarter. As he pointed out, we have not only to consider the number of

men employed in producing the raw material and the manufactured article, but also the number of hands who would have to be employed in the industries which assist in its production. They include the hands engaged in the production of coal, in the development of lime deposits, and in obtaining the minerals for flux purposes. Mr. Carson assured me that the amount of employment would be more than doubled — indeed, I think he said more than trebled — by the extra works which would have their nucleus in the iron industry. So that honorable members can estimate that at least 10,000 men would be employed in connexion with one iron works to produce sufficient iron for consumption in Australia in any one year.

Mr. PAGE.—How long would the men be employed?

Sir WILLIAM LYNE. — As long as the works continued; and if the works developed, as would be the case, the amount of employment would increase.

Mr. PAGE.—Should we not rather say—"As long as the bonuses are paid"?

Sir WILLIAM LYNE. — No; and I think that honorable members are ridiculously unfair in some of their remarks as to the bonus.

Mr. PAGE.—There is no harm in asking a question.

Sir WILLIAM LYNE. — The insinuations sometimes made in connexion with the bonus are unworthy of honorable members.

Mr. PAGE.—I have spoken from our past experience of bonuses in Queensland.

Sir WILLIAM LYNE.—Such has not been our past experience in connexion with iron works, because they have not been established by means of bonuses in Australia.

Mr. PAGE.—It has been our experience in relation to other bonuses.

Sir WILLIAM LYNE. — Bonuses have been improperly given in some cases. I know perfectly well that, for instance, in New South Wales a great deal of the money that was voted by Parliament for the development of mines went into the pockets of the companies instead of to the miners, as was intended, for the purpose of inducing prospecting and the development of new mines. But that is a question of administration. The provisions of this Bill are such that until the Minister is satisfied, no bonuses will be paid. He has

to have good reason for believing that the industry is firmly established, or he need not do anything whatever. If a mere bogus industry is started, is it likely that the Minister will pay money to its promoters? I think that honorable members treat the integrity of the Minister and of the Government very lightly when they imagine that a Government would hand over a bonus to any company until justified in doing so. I believe that the particular company with which I was negotiating will start the works if they get the opportunity. I observe in the speech made by the right honorable member for Adelaide in moving the second reading of the Bonus Bill last year, that he stated that it was estimated that the cost of establishing the industry would range between £800,000 and £1,100,000.

Mr. KINGSTON.—Evidence was given to that effect.

Sir WILLIAM LYNE.—Quite so. But I happen to have seen particulars of the actual amount required in one case. It was £1,100,000. The £125,000 which was stated by Mr. Sandford, of Lithgow, in his evidence, as being sufficient was simply for the production of pig iron; whereas the £1,100,000 would be required for the production of the best class of manufactured iron—of as good a quality as that imported into the Commonwealth.

Mr. DUGALD THOMSON.—Mr. Sandford says the amount is £250,000 for manufactured iron.

Sir WILLIAM LYNE.—I do not know whether Mr. Sandford has given that evidence; but I am assured—and in this I am supported by the statement of Mr. Carson, who I know was connected with one of the largest firms in England—that works could not be erected and made to pay properly for less than £1,000,000. He said further, that the iron industry was one which must be carried out on a large scale to make it pay, because the company would have to take small profits, and therefore would require to have a large output. That being the case the amount estimated by the right honorable member for Adelaide is fairly correct. The work may possibly be done cheaper. As low an estimate as £800,000 has been given. But experts who have had to deal with iron manufacture in the way that the Carsons have had gave a higher estimate. In addition to that, Mr. Carson told me that, though one works would supply Australia, it would be

necessary to manufacture iron and steel for export, or else the works would not pay. He said that he would be prepared to run the chance of exporting iron to the western States of South America in order to keep the mill going all the year round. Under those conditions it is of vast and grave importance that we should deal with this question as early as possible. I cannot understand why there should be any objection to doing so, especially in view of the provisional clauses which I have inserted, giving a State power at any time, either by arrangement or at a valuation, to take over the iron works which may be established. But for Heaven's sake let us do something, and not remain apathetic and lethargic. We have untold riches buried in the earth producing nothing whatever. What would happen, suppose we were cut off by an enemy from the old world and could not import the iron which we require? We should be in some such predicament as will be the case if we do not mind what we are doing in regard to our ammunition and our guns. We require iron and steel for the manufacture of these things. At present we should be almost helpless, so far as the manufacture of armament, ammunition, and other things, in which iron and steel are required, is concerned.

Mr. McWILLIAMS.—Does the honorable gentleman think that any company would erect works, if the State had the power to take them over as soon as they were a success?

Sir WILLIAM LYNE.—I think they would.

Mr. McWILLIAMS.—I think they would not.

Sir WILLIAM LYNE.—I think they would, because I do not think the State would interfere with them. If honorable members are prepared to wait until the States, take up this question, and establish iron works, men who are looking for work in the industry will be grey-headed before they get it, even although they should be young men now. It is for the Commonwealth Parliament to pass a measure of this kind to give some impetus to the establishment of ironworks on the Blythe River, in the electorate of the honorable member for Franklin, and elsewhere. I have seen the iron mines in that district, and I am aware, from the analysis of ore sent to England, that the Blythe ore is the second richest in the world.

Mr. KNOX.—Why spoil the Bill by introducing the option referred to?

Mr. McWILLIAMS.—As soon as the works are a success the State will take them over.

Sir WILLIAM LYNE.—I do not think the State will touch them, and if the State does take them over, it will be in a way which will not injure the company.

Mr. KINGSTON.—There would be no confiscation.

Sir WILLIAM LYNE.—Nor should there be. If men were to invest their money, and make the establishment of the industry a success, they would in any case have to put up with what the Parliament of the State thought best in the interests of the public. One reason why this provision is inserted in the Bill is because such a strong feeling was evinced that the establishment of the iron industry should be taken up as a matter of State concern, instead of being left to private enterprise. To meet, so far as possible, the objections of honorable members who wish the establishment of the industry to remain in abeyance until that particular time it was thought wiser to insert this provision.

Mr. KINGSTON.—I think it was agreed to on the suggestion of the honorable and learned member for Northern Melbourne, Mr. Higgins, before the Commission dealt with the matter.

Sir WILLIAM LYNE.—The provision inserted in the Bill is recommended by the Commission.

Mr. KINGSTON.—I think we had almost agreed to it before the question was referred to the Commission.

Mr. DUGALD THOMSON.—Who are "we"?

Sir WILLIAM LYNE.—I believe that the right honorable and learned member for Adelaide had practically consented, if he brought in the measure again, to introduce such a provision. It would take up too much time to go generally through the report of the Commission and the evidence taken, but I propose to make some reference to the evidence given by Mr. Jamieson, Mr. Sandford, and Mr. Franki. In answer to question 664 and following questions, Mr. Jamieson said that if the Bill were passed the company proposed erecting machinery and plant, probably in New South Wales. In answer to question 670, he explained that this decision was arrived at on the recommendation of the well-known expert, Mr. Darby, from Great Britain, who reported upon the whole business. I happened to

meet Mr. Darby, who was brought out to Australia at the time negotiations were going on between myself and this company. What was agreed to was that 75 per cent. of Blythe River ore should be used, and 25 per cent. of a certain New South Wales ore, described in the report of Mr. Jaquet, and which was to be used to assist as a flux. According to the answer to question 673, the contemplated expenditure was £1,109,000, to provide for the starting of works capable of an output of 500 tons of metal per day, or 150,000 tons per annum. So that the output of this one establishment would supply the raw material required for the iron manufacturers of Australia. In answer to question 684, Mr. Jamieson said that a 15 per cent. duty all round on pig iron and steel would suit the company as well as the granting of a bonus only. That would go on after the industry was established, but, as I said previously, the object of doing it in the way proposed, is to prevent any increase of price to the manufacturer of iron, through his having to pay too high a price in the first instance for the raw material, scrap, and pig iron. Honorable members must see that that is so, because the bonus is to continue only for a certain period, and for a very short period.

Mr. CAMERON.—Is the honorable gentleman going to give the industry the benefit of a duty after that?

Sir WILLIAM LYNE.—When the bonus ceases. It will be in the discretion of the Minister to say when the industry is established, and then, by proclamation, a duty can be put on. In answer to question 688, Mr. Jamieson said that the annual consumption of pig iron in Australia amounted to 30,000 or 40,000 tons, and in answer to question 757 he said that the total consumption of iron in Australia was about 450,000 tons annually. In answer to a question in connexion with freight, 689, he said that the freightage rates were nothing in favour of the company. In answer to question 701, Mr. Jamieson said that Canada is going ahead enormously in the matter of the development of her iron resources. I have proved that by the figures I have given, showing the increased output which has taken place in Canada under the bonus and the duty also. In answer to question 736 he said that if ironworks were established, the local consumers of iron would probably get the material they require as cheaply as they do now. In

that connexion I wish to point out that it is the intention of the Government—in fact a Bill is drafted now—to introduce a Bill to deal with trusts and rings. If a trust or ring were formed in Australia in any industry to increase the price in the way honorable members seem to think prices may be increased, it would come under the provisions of the proposed Bill.

Mr. CAMERON.—Then the Government will be able to deal with the tobacco business straight away?

Sir WILLIAM LYNE.—I may be going a little off the track, but, apropos of the interjection, I may be allowed to say, in regard to the tobacco trust, that if anything proves the necessity for legislation in regard to trusts and rings, it is the tobacco trust. I believe the circumstances connected with that trust will help me materially in passing through Parliament the measure to which I refer.

Mr. McWILLIAMS.—Will the shipping rings, which now exist, also be brought under the Bill?

Sir WILLIAM LYNE.—I cannot tell the honorable member just now. I may say, however, from my experience that you scratch a Russian to find a Tartar when you touch the shippers, because they have a great deal of power. In answer to question 777, Mr. Jamieson estimated that 3,000 men would be employed during the first four months after the establishment of iron works, and that the average wages paid would be about £3 per week. On looking at the evidence, however, I find that Mr. Jamieson did not use those exact words, but said that after being in "full swing" for four months the works would employ 3,000 men. I have compared that with the number of men employed in the United States, and I find both almost exactly the same in proportion to the number of tons produced. Mr. Jamieson was evidently quite correct in his estimate, but, as I have already pointed out, he omitted to mention all the additional men who would find employment in the other industries necessary to make the iron industry a success. In answer to question 987, Mr. Jamieson said that the works would be in full swing two and a-half years after the passing of a law which suited the promoters; and that, I think, is as short a time as can be stipulated. I dare say that the honorable member for Kooyong knows well that works of the kind could not

be established under two years, or probably two years and a-half; and it may be taken for granted, in view of the provision in the Bill, that there will be no unnecessary delay. These are the principal pertinent points in Mr. Jamieson's evidence. Mr. Sandford is another gentleman who is, or should be, well versed in this matter, and he said, in reply to question 1148, that with a bonus or an alternative duty the works could be started but that there was no hope of the industry being commenced without a bonus. Mr. Sandford doubtless meant that the works could not be started without a bonus or a duty, and he went on to say that a duty of 20 per cent. on iron from outside, and a duty of 10 per cent. on iron from the mother country, would enable the industry to be at once started—that if the market was guaranteed for five years, either by a bonus or by a duty, he would be willing to at once put down the plant. In answer to the last question put to him, question 1197, Mr. Sandford said if the duty and bounty disappeared, he should not be able to continue operations.

Mr. CAMERON.—Are there any wealthy people in treaty with the Government now? Suppose this Bill be passed, will the Minister guarantee that the industry will be started?

Sir WILLIAM LYNE.—I do not like to guarantee anything; but I believe that both Mr. Sandford and the Blythe River Company will start, one in a small way, and the other on a large scale, if the inducements are sufficient to protect them—and that is the main point—against powerful ironmasters outside.

Mr. DUGALD THOMSON.—The bonus will not protect them.

Sir WILLIAM LYNE.—Yes, it will; if the local manufacturers have a bonus in addition to their profit, outside ironmasters will have to reduce their prices very considerably in order to compete.

Mr. KINGSTON.—The bonus ought to enable the local manufacturers to sell more cheaply.

Sir WILLIAM LYNE.—That is so, and it will make the outside "ring," which is going to flood the market at cheap rates, sell still more cheaply.

Mr. O'MALLEY.—An iron industry is carried on without a bonus by Mr. Ellis, of Penguin, South Australia.

Sir WILLIAM LYNE.—Where, I believe, a few horse shoes, and articles of that kind, are produced. Google

Mr. O'MALLEY.—The works employ thirty or forty men, at any rate.

Sir WILLIAM LYNE.—I know that the works are doing no good in regard to the manufactured article; at any rate I did not know that the proprietor smelted iron, but understood that he sent it as flux to the Illawarra works. Another witness before the Royal Commission was Mr. Franki, who, in answer to question 1435, said that the capital invested in Mort's Dock, of which he is the manager, was nearly £500,000, and that he was prepared to pay 2½ per cent. more for the locally-made iron than he paid at the present time, because of the greater convenience and greater certainty of the local supply. Those three men, whose evidence I have cited, should know more of matters connected with the iron industry than the other witnesses, and their testimony all tends to show that there is necessity for either a bonus or a duty. For the reasons I have already given, it is not proposed to have a duty at first—that is a step which neither I, nor, I think, the right honorable member for Adelaide favours.

Mr. KINGSTON.—Hear, hear.

Sir WILLIAM LYNE.—If a duty were imposed during the period of two and a half years, it would cause an increase in the price of raw material to those who require pig and scrap iron for their processes of manufacture.

Mr. SYDNEY SMITH.—I thought the Minister was of opinion that a duty does not raise the price of an article?

Mr. O'MALLEY.—It is proposed to first give a bonus, and, later on, to extend protection?

Sir WILLIAM LYNE.—That is the provision in the Bill. The honorable member for Macquarie talks very wildly on matters of this kind. What I have always said, and what any one who thinks the question out would say, is, that if a duty be placed on articles which cannot be produced in our midst, the price is raised; but that when the article can be manufactured amongst us, the price is not raised.

Mr. MAUGER.—Internal competition regulates the price.

Sir WILLIAM LYNE.—Internal competition, as a rule, reduces the price.

Mr. SYDNEY SMITH.—Is this part of the Minister's preferential trade scheme?

Sir WILLIAM LYNE.—The honorable member for Macquarie does not seem to be serious enough or to have sufficient brains to

understand a very important but very simple question. I do not think that the honorable member ought to seek to defeat, by jeering and jibing, a Bill which is introduced in the interests of working people in his own electorate. The honorable member either talks nonsense or says what he knows to be untrue.

Mr. SYDNEY SMITH.—The best proof of the contrary is that those people elected me in preference to the Government candidate.

Sir WILLIAM LYNE.—Why, the honorable member for Macquarie himself told me that he would not have been returned but for the ladies' votes in Bathurst.

Mr. SYDNEY SMITH.—I am proud of the ladies' votes.

Sir WILLIAM LYNE.—The honorable member admitted that if he had to depend on the votes of the miners of Lithgow and the men employed in the Portland cement works he would not have been returned.

Mr. SYDNEY SMITH.—What has that to do with the question before us? At any rate, I beat the Government candidate at Portland, and all round about Lithgow.

Sir WILLIAM LYNE.—I have not been able, as I hoped, to obtain the exact figures regarding the importations of iron last year, although I telegraphed to the various States for the information. I have no doubt, however, that an increase will be shown on the figures given by the right honorable member for Adelaide, when he dealt with this question during the year before last. According to the figures then presented, the importations amounted to about 150,000 tons; and that only goes to confirm what has been stated previously with regard to the practice of other countries.

Mr. DUGALD THOMSON.—The Minister has just said that there was a lesser importation of iron last year.

Sir WILLIAM LYNE.—I did not say so.

Mr. DUGALD THOMSON.—But that is shown by the Customs returns quoted.

Sir WILLIAM LYNE.—That may have been a time when the Government of New South Wales, which usually imports largely, was not importing so much.

Mr. DUGALD THOMSON.—But the Minister said that the importation might be higher last year.

Sir WILLIAM LYNE.—I am only giving an estimate. The average importation for years past has been about 150,000 tons, which, I imagine, would not be reduced, but rather increased during

last year. I quite admit that if loan works are stopped by a Government which is usually a great importer, there must be a temporary decrease. One important question which hinges on the establishment of the iron industry is at present before the High Court—the question whether States have to pay duty on their importations. If duty has not to be paid by the States, a still greater difference is made to the iron industry, and there is greater reason why the Commonwealth Government should step in, with a view to assist the people who have invested their money in this direction. Of course, if the decision of the Court is that the States have to pay duty, the case is not so extreme. I have heard honorable members contend that this industry could be started by the States giving an order to a particular company. I do not deny that the industry could be started in such a way; but the order would have to be a large one, and, considering the present state of the money market, it is not likely, probably for many years to come, that any large orders will be given. Railway construction, in connexion with which there is the largest consumption of iron, has practically ceased, unless, of course, we decide to build the railway to Kalgoorlie, so favoured by the Minister for Home Affairs.

AN HONORABLE MEMBER.—And a line to Bombala?

Sir WILLIAM LYNE.—Yes; and to Bombala as well. If the construction of those two railways were authorized, we might be able to give a good order for the supply of railway material. I imagine, however, that nothing will be done in this direction for a few years, and we may reasonably dismiss from our minds any idea that the States are likely to be in a position to give such an order as would induce any company to start works of the kind desired. A great deal has been said lately with regard to the absence of immigration. In regard to that matter, I differ from some of my colleagues. I do not believe that we shall ever induce a large stream of immigration to Australia until we offer special inducements to settlers, by breaking up the large estates into small holdings, and by protecting our manufactures, and thus providing increased work, not only for the people who may come here, but for those who are already amongst us. I believe that by establishing the iron industry, we should afford employment to at least 10,000 men.

Mr. McWILLIAMS.—Is there not already an iron-works established at Lithgow, New South Wales?

Sir WILLIAM LYNE.—No. It is true that there is an iron-works there, but not one pound of iron has been manufactured from the raw material obtained in New South Wales. The only iron I ever saw made from native ore in New South Wales took the form of two horse-shoes, which were made by a Mr. Davis, at Illawarra. He found an iron deposit, and managed, in his little forge, to smelt a sufficient quantity of iron to make the horse-shoes. He presented them to me, and I still have them in my possession. I never saw any iron produced from native ore at the Lithgow works.

Mr. KNOX.—Why does not the Minister insert a clause in the Navigation Bill which would have the effect of preventing vessels from bringing pig iron here as ballast?

Sir WILLIAM LYNE.—Perhaps that would be a good thing if we could not otherwise protect the manufacture of pig iron. That, however, is not the question we are now considering, and I do not know that we shall have to deal with it. We know that in the Illawarra district, at Port Stephens, Lithgow, Carcoar, and Orange, and other parts of New South Wales, there are immense deposits of iron ore. I believe that the two richest deposits in Australia are to be found at the Blythe River, in Tasmania, and at the Iron Knob, in South Australia. The people of Australia have allowed their Parliaments to slumber upon this question. In New South Wales, the free-trade policy adopted has destroyed whatever prospect there might have been of developing the iron resources of that State. I do not know that there are any great iron deposits in Victoria.

Mr. MAUGER.—Yes, at Ballarat.

Sir WILLIAM LYNE.—I do not know anything about them. I venture to believe that if any extensive iron deposits had existed in Victoria, where a vigorous policy of self-preservation has been adopted with a view to increase production and stimulate manufactures, every effort would have been made to promote the development of the iron industry. The community has suffered great loss owing to the neglect of our iron resources, and the labouring classes have been placed at a special disadvantage. It would be nothing short of criminal on our part to allow the present state of affairs to

continue. I intend to do my best to secure the adoption of this measure, and I ask honorable members not to put it aside without due consideration. The proposal now made is fraught with the greatest importance to the Commonwealth. It is made, not in the interests of one particular section of the community, but in the interests, first of the labouring classes, and secondly of those who are engaged in iron manufactures. In the event of a European war we should not be able to procure from abroad the iron required by us for manufacturing purposes, and it is therefore necessary that we should at the earliest moment become self-supporting. I regret to say that through the policy of free-trade adopted in New South Wales, that State is the least self-dependent of all the States.

Mr. DUGALD THOMSON.—It is not by any means the least prosperous.

Sir WILLIAM LYNE.—I would urge upon honorable members the importance of adopting a policy which will enable us to supply all our own requirements in connexion with the manufacture of iron. If fair consideration be given to this measure, I do not see how it can be thrown aside. Despite the rumours that the Bill will probably be rejected, it is my duty and that of the Government to take every possible care that no blame shall attach to us for having failed to do everything within our power to stimulate the manufacture of iron and steel, and provide work for the people.

Debate (on motion by Mr. DUGALD THOMSON) adjourned.

In Committee:

Motion (by Sir WILLIAM LYNE) agreed to—

That it is expedient that an appropriation of revenue be made for the purposes of a Bill for an Act relating to bounties for the encouragement of manufactures.

Resolution reported and adopted.

WATER CONSERVATION.

Mr. McCOLL (Echuca).—I move—

1. That, in the opinion of this House, the prosperity of Australia as a whole, and the development of the interior more especially, depends on the utilization of its waters.

2. That this great question should receive the early attention of the Government of the Commonwealth.

3. That it is desirable that a scheme of conserving and locking the waters of the River Murray, in the interests of irrigation and navigation, should be formulated and carried out by joint action on the part of the Commonwealth and the States of New South Wales, South Aus-

tralia, and Victoria, and that the Government should take such steps as it may deem necessary to bring about such joint action without delay.

4. That the petition received by this House from certain residents in the Northern district of Victoria and the Riverina district of New South Wales on the 25th June, 1903, be taken into consideration in conjunction with this motion.

I have to acknowledge the courtesy of the Government in affording me an opportunity to launch this motion. The Minister for Trade and Customs has earnestly requested honorable members to help him to do some practical work in the direction of encouraging the iron industry. I desire to make an appeal no less earnest to honorable members to give their serious consideration to a subject which is quite as important as that which we have just been discussing, and which will be attended with results more far-reaching. I refer to the question of water conservation as it applies to the arid districts of Australia. I know that it is difficult for a private member to accomplish much; but I trust that the question with which I am now proposing to deal will be recognised as so important that honorable members will be induced to devote their best efforts to bring about some practical result. I know that some honorable members have taken a great interest in this question, and I hope that when the adjourned debate takes place, they will assist to thresh the matter out, in order that we may ascertain the extent of our powers, and induce the States to co-operate with us in carrying out a great national enterprise. The Governor-General's Speech makes several references to primary production. In the first place, the passing of the drought is mentioned; but nothing is suggested with a view to prevent a recurrence of the disastrous consequences of such visitations. Reference is also made to the recent bountiful harvests, to the necessity of establishing an agricultural bureau, and the desirableness of assisting farmers by encouraging them to grow new crops, and by offering increased facilities for marketing their produce. Paragraph 7 also refers to the vast undeveloped resources of this great continent, to the very small increase in our population, and to the necessity of securing desirable European immigration, with a view to making the best use of the facilities which nature has placed at our disposal. Unless we also take into consideration the great question of the utilization of our water resources, the words last referred to constitute merely an empty phrase. They are almost entirely devoid of significance, unless we have in view some steps

for the development of our water resources. Water plays the most important part in our national economy. The provision of a water supply is the first question which obtrudes itself upon our attention in connexion with the settlement of population upon the land. If no water supply is available, no settlement can take place. A good water supply is essential to the success of all mining and farming enterprises. Its abundance or otherwise has a marked effect upon our financial position, because in order to afford the best security for our loans, we must increase our production, and we cannot hope to do that unless we devise means for making the best use of our water resources. Apart from these considerations, however, the question is one intimately connected with the principles of democracy, because the spreading of water over the land must tend to break up large estates, and to settle small land-holders in comfort upon the soil. It also has a bearing upon the White Australia question, because, unless we can insure the settlement of the land upon a sound basis, a White Australia will be impossible. In short, it means the rearing of homes all over this continent, which is synonymous with the upbuilding of cities and general prosperity. Honorable members having recently come from their constituents are fully seized of the feeling which exists in regard to Federation, and towards this Parliament. To a large extent that feeling is one of grave disappointment that more has not been done by us in the way of practical work. Of course, it is possible that the people expected too much from Federation, but it is idle to deny that the disappointment which prevails is partly justified. The Commonwealth looks to this Parliament for practical work, now that we have disposed of our machinery measures and got our departments into working order. We require to justify our existence, and to justify Federation by devoting ourselves to practical work, which will uplift the country and cause it to progress. People are already asking whether Federation was established merely for the purpose of creating another Parliament, an additional Civil Service, fresh Government Departments, and all the paraphernalia connected with new institutions. They declare that we are spending more of the taxpayers' money without assisting them to earn it. The situation reminds me very forcibly of the parable of the fig-tree. The people are exclaiming, "For three years we have come seeking fruit and found none." They are

therefore beginning to say, "Cut it down, why cumbereth it the ground?" Fifty-three years ago a portion of this continent was subdivided into Colonies, because it was felt that, as separate units, they would progress much more rapidly than they would working under one Constitution. As a result, they have made wonderful advancement. We have now joined together in a Federal bond, in order that our progress may be even more rapid. It was felt that, united in one bond, we could do work which the States in their separate existence could not possibly attempt. It was expected that our progress would be proportionate to the bulk of the new authority which has been created. So far, those aspirations have not been realized. During the last Parliament we passed no less than forty Acts, only one of which touched industry. I refer to the Tariff, which incidentally aided industry to a certain extent. All our other statutes involved the expenditure of money, but did not assist in the earning of it. The Vice-Regal Speech, I am glad to say, gives promise that we are now going to accomplish something in the way of practical work, and in his earnest address to-day, the Minister for Trade and Customs has submitted the first proposal foreshadowed in that direction. I have been asked what the Commonwealth can do in the way of water conservation, seeing that the States own the land. It is said that we cannot interfere with the lands of the States. That is so; but it is equally true that we have control of the main streams. When Federation was established, it was never intended that the States and the Commonwealth should work upon parallel lines. It was expected that they would co-operate with each other for the common good. To those who hold the view that because the States possess the land, we can do nothing with it, I would point out that we can request the States to join with us in making the land more productive, and thus bringing about closer settlement. We have control of the main water courses, and the prosperity of the States very largely depends upon how those waters are utilized. I hope that this House will avoid further reproach in connexion with this matter. I trust that by its treatment of it, the Commonwealth Parliament will become a real, life-giving, potent force. A nation is built up by three great factors, the national trinity of land, water, and people. Unfortunately, in some of the States

our lands have been alienated in the most shameless manner, and we have allowed our water resources year by year to flow wastefully to the sea. Any one who travels through the three eastern States at the present time cannot fail to be impressed by the difference which a supply of water will make in a country. As the result of the eight years' drought from which we have recently emerged, the whole of the northern country a year ago looked as if grass would never grow there again. Six months later, where previously there was no sign of verdure, the grass was knee-deep. That experience shows that the application of water to our lands will make them respond, and become fruitful. In the past we have neglected this precious gift, and, as a result, have paid the penalty. The drought has left its dire impress on the country—an impress which will continue for years to come. In many places our flocks and herds have entirely disappeared. But the loss of so many sheep and cattle is not the most serious evil. In numerous instances these flocks and herds had been carefully selected year after year. Special attention had been paid to their breeding, in order to obtain certain strains. All these have now been swept away, and will have to be replaced at an enormous cost. It is estimated that the loss to Australia which was occasioned by the recent drought is not less than £130,000,000. Last year alone the people of New South Wales paid £500,000 in the effort to keep their cattle and sheep alive, every head of which could have been saved if the rainfall had been conserved in good seasons. The way in which we have neglected ordinary common-sense precautions in Australia justifies the statement with which Mr. Wilcocks closes his book—*The Assouan Dam*. That work, I need scarcely add, is a monument to his ability and to the enterprise of the people who carried it out. In the closing pages of his book Mr. Wilcocks says—

Fortunately for Egypt, as for India, her destinies have been in the hands of men to whom irrigation has always represented the foundation stone of permanent prosperity. Well would it have been for the permanent prosperity of the arid and semi-arid regions of Australia and South Africa if their statesmen had been educated in Egypt and India, and had spent on irrigation works one-half of the sums which they have spent on communications and railways. We should have been spared the sight of the arrested prosperity we see on every hand, and which we shall continue to see until a wise departure is made from the past policy, and the same liberality is shown

towards the development of irrigation which has been shown towards the development of railways and communications.

That is the opinion of a man who, from afar, views with a clear eye what is retarding the progress of this country. The first proposition which I wish to submit to the House affirms—

That the prosperity of Australia as a whole, and the development of the interior more especially, depends on the utilization of its waters.

If we turn to countries which are situated in similar latitudes to our own, we find that where they make use of water they flourish, and that where they neglect it they decay. We know that the earlier civilizations were not to be found in moist, well-wooded countries, but in the middle of arid deserts, which were rendered habitable by waters that flowed down from mountain ranges or equatorial uplands. These wastes, fallowed for years by the sun and wind, and absorbing all the elements of plant life from the atmosphere, were made fruitful and reproductive by the application of water, and people who settled there succeeded in becoming strong, conquering nations, dominating all around them. To-day history is repeating itself. In America, during the past 100 years, settlement has been mainly confined to the East. Down the United States, a line drawn from the 93rd meridian divides the arid from the waste areas. Formerly, the territory to the west of this line was regarded as a place to be dreaded. Many persons, in seeking to go through it, had left their bones there. To-day, however, the aspect of affairs is entirely changed, and people are leaving the eastern lands to settle in the western, which are made bountiful and reproductive by the water from the ranges of that great continent. In Australia similar conditions prevail. Originally our people settled upon a fringe of the coast-line, and upon the banks of our rivers. Our iniquitous land laws, however, have driven them back from the watered districts to the interior, where agriculture and tillage, nay, even existence itself, is very little more than a gamble and a lottery. In these districts the settler is the mere sport of the weather. In America there are 9,000,000 acres which are under irrigation channels. In Australia, however, we have accomplished comparatively nothing in the way of irrigation. The Crown lands still available for settlement possess a rainfall which ranges from 15 inches to nothing.

If these great areas are to be utilized, water is a prime necessity. Round two-thirds of the circumference of Australia we have mountain ranges within 100 or 150 miles of the sea, and ranging in altitude from 7,000 feet downwards. From these ranges many streams flow, both towards the sea and towards the interior. It is, so far as regards the great Murray basin, an immense arterial system of water supply. We have a fair rainfall over one-third of the continent. Of course, we have been told rather contemptuously that we are a mere fringe of a continent, and that our interior can never be utilized to any great extent. I wish to show that the possibility of developing that interior is very much greater than most people imagine, because upon the ranges to which I have referred, from 20 to 50 inches of rain fall annually. That rain can be utilized, both on the outward and the inward slopes. The land in itself, though apparently arid, is rich in all the essential elements of plant life. We require only to conserve these mountain rains in seasons of plenty, to make it fructify, and produce to an enormous extent. In Australia we have several river systems. Some of the streams on the west coast flow into the Indian Ocean, others on the north, east, and south into the Gulf of Carpentaria and the Pacific, and some of these systems extend over several States. For example, the drainage area of the Murray system extends into three States, and thus it is only by Federal action that we can cope with the question of the utilization of these great river systems. What is necessary is a great central power, clothed with proper authority, and able to take upon itself the financial responsibilities associated with the effective utilization of these streams. I propose to-day to deal only with the Murray River system; but, although I am not familiar with the details of other river systems, I shall be pleased at any time to lend what assistance I can to secure their utilization for the benefit of other parts of the Commonwealth. I shall always be prepared to join heartily and strongly with other honorable members in any proposal in that direction; but, meantime, I desire that these propositions shall be affirmed. I am not putting them forward as a mere advertisement, for I feel very strongly on the question. Australia is different altogether from other continents. When one looks at the map he is struck at once by the apparently enormous area of

Mr. McColl.

arid country in the centre of Australia, while on turning to the maps of other countries he discovers that, without exception, all are traversed from end to end by one or more high mountain ranges. In those countries moisture is generated on the ranges, and carried down to the plains. In Australia, however, hot winds are generated in the interior, and, sweeping over the country, destroy our vegetation instead of supplying it with the moisture that it needs. We may not be able, therefore, to have an ideal system of irrigation, but that is all the more reason why we should utilize to the fullest extent the resources that we possess. Those resources are not to be despised. In the far north of Victoria, as well as in Riverina, we have excellent pasture land. Even in its natural condition—in the absence of moisture supplied by artificial means—it is good pastoral land, but with irrigation it would be equal to any that we have. Those who visit the northern parts of Victoria for the first time are astonished to see how well many crops grow there, and how favorably they compare with those produced by the rich fat lands of Gippsland and the Western district. Those who advocate the development of our country are absolutely agreed that it is to be secured only by settling the people on the land. In no other way can we hope to make this country what we desire it to be. We must utilize the Crown lands that remain unalienated, but we may do more. The Federal Parliament has yet no power to deal with the lands, but the States Governments should exercise the power of resumption to the fullest extent. Where they find it impossible to voluntarily resume areas in the water districts, and close to main lines of communication, they should adopt the compulsory system of land resumption at the earliest date. If the people are to be settled on the land in this way, the work must be carried out under proper conditions. In speaking on the Address in Reply, I showed what had been done in the way of land settlement in Victoria. I pointed out that the State Government, of which my honorable friend, the member for Gippsland, was the head, was absolutely successful in this direction; that large estates were purchased by that Government, and that the arrears of principal and interest due by persons settled on the land so acquired, at a cost of about £200,000, now amounted to only 1 per cent. These facts show

asked will be laid upon the table of the House, or placed in the library, I shall have much pleasure in withdrawing my motion.

Mr. DEAKIN.—I cannot speak for the Minister for Trade and Customs now. As the honorable and learned member's motion has been placed on the paper the Minister must speak for himself.

Mr. CROUCH.—We have agreed to an arrangement to take private members' business on the Thursday, and on the very first occasion the Government departs from the arrangement made.

Mr. DEAKIN.—I gave this afternoon for the discussion of private members' business.

Mr. CROUCH.—I am sorry that the rules of the House do not permit of my bringing on to-day a motion on the paper for to-morrow, because I am quite prepared to discuss it. Perhaps the Prime Minister will assure me that I shall be given an early opportunity for its discussion.

Mr. DEAKIN.—I do not know what an early opportunity may mean.

Mr. CROUCH.—I might be given some time when ordinary Government business is on the paper.

Mr. DEAKIN.—I cannot promise Government time for it.

Mr. CROUCH.—I am sorry that the discussion of the motion should have to be postponed for a month or so. It is most unfortunate that it should have to appear on the notice-paper at all. Seeing that the arrangement with respect to private members' business has not been adhered to, I hope that when we do come to discuss my motion, honorable members will consider that an additional reason for supporting me in the action I take, in the interests of good government and honest administration, to procure certain documents.

Question resolved in the affirmative.

PAPER.

Sir JOHN FORREST laid upon the table the following paper:—

Notification of the acquisition of land at Mosman, New South Wales, for a post and telegraph office.

House adjourned at 5.9 p.m.

Senate.

Wednesday, 13 April, 1904.

The PRESIDENT took the chair at 2.30 p.m. and read prayers.

DEFENCE REGULATIONS.

Senator Lt.-Col. NEILD (New South Wales).—I desire to introduce a question that is to a certain extent one of privilege, and at the same time to ask the representatives of the Government a question. I think you will find, sir, that I am in order in adopting this procedure.

The PRESIDENT.—Is the honorable senator asking a question without notice?

Senator Lt.-Col. NEILD.—I wish to ask a question without notice, but I wish to preface it by drawing attention to the fact that in several Acts that have been passed by this Parliament—I am particularly referring to the Defence Act—there is a power to make regulations, and either House of the Parliament has a right to disallow any of the regulations within a certain number of sitting days.

The PRESIDENT.—The honorable senator cannot ask a question without notice, and at the same time move a motion, though he is perfectly in order in asking a question on a matter of privilege.

Senator KEATING.—Am I to understand that the time for giving notices of motion has gone?

The PRESIDENT.—No.

Senator Lt.-Col. NEILD.—I thought that a question of privilege could be raised at any time?

The PRESIDENT.—After notices of motion.

Senator Lt.-Col. NEILD.—This is a very small matter, indeed.

The PRESIDENT.—I want to know whether the honorable senator is asking a question without notice? If so, he must not argue the question. If he desires to raise a question of privilege he must wait until the notices of motion have been given.

Senator Lt.-Col. NEILD.—The whole question is this, if you will allow me to explain. As there are very few days left within which it is possible for the Senate to discuss the disallowance of any regulations formulated under the Defence Act, I want to know from the representatives of the Government whether they can tell me on what day a motion for the disallowance of three of the regulations can be entertained.

The PRESIDENT.—The honorable senator ought not to argue the question. He can ask a question, but he cannot argue the matter.

Senator Lt.-Col. NEILD.—Then I cannot state it.

The PRESIDENT.—The honorable senator will see, if he looks at the Standing Orders, that they provide that in asking a question—

No argument shall be offered . . . nor any facts stated except so far as may be necessary to explain such question.

Senator Lt.-Col. NEILD.—That is exactly the Standing Order that I thought I was complying with. As there are only a few days left during which it is possible for the Senate to take into consideration the Defence regulations, I want to know from the representatives of the Government what day would be convenient for me to give notice? I have the notice of motion prepared.

Senator PLAYFORD (South Australia—Vice-President of the Executive Council).—This will be a convenient day. The honorable senator can give notice of motion for tomorrow. The matter is one which can then be discussed, as Thursday is private members' day. On the question of the disallowance by the Senate of regulations that have to be laid upon the table for a given period—it may be for fifteen days or longer—it is always understood that if a Member of Parliament gives notice that he will take action, that notice is quite sufficient in itself, to enable the matter to be dealt with, without an absolute decision of the House. That has been the practice in the Parliament of South Australia. There, although the fifteen days may have elapsed within which a House of the Legislature could disallow a regulation, still, if notice of motion has been given within the fifteen days, the action of the House is considered to be legal, and no objection is taken to it.

The PRESIDENT.—That would all depend on the Act under which the regulations were framed.

Senator PLAYFORD.—Very possibly.

Senator Lt.-Col. NEILD.—I hope I shall be permitted to point out that if discussions on the disallowance of regulations or the acts of the Government are to be restricted to the few hours allowed for private members' business, it may possibly never be possible to bring such a matter forward.

However, I will give notice now, so that my motion may appear upon the business-paper. It is as follows:—

That this Senate, in terms of section 224, subsection 4, of the Defence Act 1903, hereby disallows the following regulations issued under the said Act, namely, part 3, regulation 72, portions objected to (g); part 3, regulation 83, portions objected to (e) and (d); part 5, regulation 27, portions objected to (20), (21), (30), and (44); part 5, regulation 28, portions objected to (a), (d), (a) and (d); part 5, regulation 38; appendix K, clause 7.

TEMPORARY CHAIRMEN OF COMMITTEES.

The PRESIDENT laid upon the table his warrant, appointing Senator Dobson and Senator Lt.-Col. Neild to act as Temporary Chairmen of Committees, when requested so to do by the Chairman of Committees, or when the Chairman is absent.

PAPERS.

Senator PLAYFORD laid upon the table the following papers:—

Provisional regulations under the Electoral Act
Transfers of amounts approved by the Governor-General in Council, financial year 1903-4, under the Audit Act.

Notification of the acquisition of land at Mosman, New South Wales, for a post and telegraph office.

New regulation and addition to regulation under the Post and Telegraph Act.

NAVAL AND MILITARY FORCES.

Senator Lt.-Col. NEILD asked the Vice-President of the Executive Council, *upon notice*—

1. What was the strength of the Naval and Military Forces of the different States respectively when taken over by the Commonwealth, specifying such Forces in each State separately?
2. What was the strength of the Naval and Military Forces of the Commonwealth on the 1st January, 1902, giving the particulars similarly?
3. What was the strength of the Naval and Military Forces of the Commonwealth on the 1st January, 1904, giving the particulars similarly?
4. What number of efficients were there on the last-mentioned date?

Senator PLAYFORD.—The replies to the foregoing questions are given in the form of a return. It is as follows:—

State.	NAVAL.			
	Strength.		Efficients.	
	1/3/01	1/1/02	1/1/04	1/1/04
New South Wales..	663	663	380	364
Victoria...	254	301	206	194
Queensland ...	725	671	403	403
South Australia ...	187	175	130	130
	1,829	1,810	1,119	1,091

MILITARY STRENGTH.

State.	On 1st March, 1901.	On 1st January, 1902.	On 1st January, 1904.	Number of efficient on 1st July, 1903; Militia and Volunteer Force.
New South Wales	9,772	9,048	6,799	5,983
Victoria ...	7,011	6,328	5,262	4,886
Queensland	4,993	4,548	2,474	2,677
South Australia ...	2,956	2,659	1,588	*
Western Australia	2,283	1,915	1,260	857
Tasmania ...	2,554	2,304	1,541	1,285
Total ...	29,569	26,802	18,924	15,688†

* No classification under local Act and Regulations.
† Not including South Australia.

With reference to question No. 4 the General Officer Commanding states:—

"Officers and soldiers of the Militia and Volunteer Forces are classified as efficient on the 1st of July of each year on having carried out certain specified drills and trainings during the previous twelve months. It will, therefore, be seen that the number of efficient on the 1st of January last cannot be stated. I have, however, shown the number of efficient of the Militia and Volunteer Forces in each State on the 1st July last, which probably will meet requirements."

The reasons for the small number of efficient on the date named are that recruiting had been stopped for over a year, and that the Forces generally throughout the Commonwealth were in a condition of re-construction.

COLOURED ALIEN IMMIGRATION.

Senator STANFORTH SMITH asked the Vice-President of the Executive Council, *upon notice*—

1. The number of coloured aliens who have entered the Commonwealth during 1903?
2. The number of coloured aliens who have left the Commonwealth during 1903?
3. The estimated number of coloured aliens in the Commonwealth?

Senator PLAYFORD.—The answers to the honorable senator's questions are as follow:—

1. 3,486, details of which were furnished in the Return presented to Parliament on the 3rd March, 1904, in accordance with the requirements of section 17 of the *Immigration Restriction Act 1901*.

2. 3,936—Afghans ...	...	...	42
Chinese ...	...	...	1,840
Cingalese and Hindoos ...	...	...	241
Japanese ...	...	...	312
Pacific Islanders ...	...	...	1,126
Others ...	...	...	375
Total	...	...	3,936

3. This information was furnished to Parliament in August, 1903, *vide* Senate Paper, No. 43, page 989, of the bound volume. No later information is in the possession of the Government.

PRIVILEGE: PARLIAMENTARY DOCUMENTS.

Senator Lt.-Col. NEILD (New South Wales).—Do I understand that this is the time when I may bring forward a question of privilege?

The PRESIDENT.—If the honorable senator wishes to bring forward a question of privilege he may do so now.

Senator Lt.-Col. NEILD.—The matter to which I wish to allude is the refusal to supply members of this Chamber with documents that are necessarily laid upon the table.

The PRESIDENT. — I do not think that that is a question of privilege. It is a question of the conduct of the business of the Senate.

Senator Lt.-Col. NEILD. — It appears that the documents to which I refer are not in the custody of the officers of the Senate, and when application is made for them to the Government Printing Office, or to the Government, as the case may be, they are not always forthcoming. In one case I referred the matter to the Minister—the Postmaster-General—and have not received the courtesy of a reply. Members of the Senate, as also members of the House of Representatives, are entitled, under various Acts which Parliament has passed, to veto, if they so please, or at least to take into consideration, the regulations framed by the Government. Upon applying to the proper authorities for copies of these documents, they are simply not forthcoming. I have here a letter from the Government Printing Office, with reference to my application for a copy of the regulations under the Defence Act. It is as follows:—

I regret that I am unable to supply you with a copy of the regulations for the military forces. The only copies in this office of the latter are required for sale purposes, and must therefore be accounted for.

Senator DRAKE.—Is that from the Government Printer?

Senator Lt.-Col. NEILD.—Yes.

The PRESIDENT.—Has the paper in question been printed?

Senator Lt.-Col. NEILD.—Yes.

The PRESIDENT.—Then why did not the honorable senator apply to the Clerk of the Senate?

Senator Lt.-Col. NEILD. — I understand that the paper is not in the possession of the Clerk. I was applying for three days without receiving a copy. When I applied to the Post and Telegraph Department with regard to another document, I met with exactly the same treatment; and when I wrote to the Minister no notice was taken of my communication. I think that such a state of things should not be permitted to continue, and I have taken action in order that attention may be directed to it. I have no objection to pay the few pence or few shillings required. This, however, is not a question of expense, but a question of delay. The point is that there are only a few days in which notice can be given to disallow regulations, and when difficulties are placed in the way of honorable senators or members of another place by Government Departments and Government officials, the time passes before they can give the necessary notice. I bring this matter forward simply in order that such instructions may be given by you, Mr. President, or whoever is the proper authority, as will prevent what I have described from occurring again.

The PRESIDENT.—I did not stop the honorable senator in his remarks, because he was dealing with a matter relating to the conduct of the business of the Senate, though, strictly speaking, he was not in order. I am very sorry that the honorable senator did not apply to me or to the Clerk of the Senate, because, undoubtedly, every member of the Senate ought to be placed in possession of papers which are laid on the table and ordered to be printed. If Senator Neild had applied to me or to the Clerk I should have seen that he was supplied with a copy of the document.

Senator MILLEN.—Senators ought to be supplied with such documents, without making application.

The PRESIDENT. — Undoubtedly; papers ordered by either House to be printed ought to be circulated at once, and why that was not done in this case I cannot say. This is the first I have heard of the matter. I am at this moment informed that the paper was not ordered to be printed.

Senator PLAYFORD.—That is the fault of the Printing Committee.

The PRESIDENT.—It is the fault of the Senate; the Printing Committee cannot order papers to be printed; they can only

recommended to the Senate. If papers are of such importance that they ought to be printed, the Senate should give the necessary order when they are laid on the table.

Senator PLAYFORD.—All the regulations have appeared in the *Gazette*, of which honorable senators received copies.

Senator Lt.-Col. NEILD.—The honorable senator is mistaken; these regulations have not appeared in the *Gazette*.

The PRESIDENT.—I knew nothing of the matter, and I am taken by surprise; but if the state of affairs is such as that laid before us by Senator Neild, it ought at once to be altered.

ACTS INTERPRETATION BILL.

Bill read a third time.

NAVIGATION BILL.

Senator DRAKE (Queensland — Attorney-General).—I move

That the Bill be now read a second time.

The Bill relates to shipping, navigation, seamen, and kindred matters, with special regard to the protection of the mercantile marine of the Commonwealth. The magnitude of the subject is, I think, sufficient justification for asking the Senate to bear with me while I endeavour to lay before them the aims of the Government, and the provisions in this Bill, by which we hope to succeed in those aims. As to the importance of the subject, no doubt can, I think, be entertained. The producers, merchants, the travelling public, as well as ship-owners, and those actually engaged in the shipping trade in the Commonwealth, are all interested in the enactment and enforcement of laws to insure the safety of vessels, and the welfare of those who are compelled to spend a portion of their lives on the sea. In discussing this measure, I hope it will always be borne in mind that, as a people, we are yet in our infancy—an infancy, however, which we believe, will be followed by a vigorous youth, and a maturity involving responsibilities which will make the uninterrupted use of the ocean highways an absolute necessity. The magnitude of our trade, even now in our infancy, is sometimes a matter of surprise to those who have not given the subject their careful consideration. When we remember that we have a coast line of 8,500 miles, with between eighty and ninety more or less developed ports; that we have a shipping, the value of which is estimated

at about £3,000,000, and which entails an expenditure of about £1,500,000 per annum in equipment and maintenance, we must see at once that our mercantile marine, even at the present time, is worthy of the fullest consideration that can be given to it by the Government and Parliament. I almost hesitate to quote from *Coghlan* a comparison of the shipping tonnage of the Commonwealth as compared with that of Great Britain. I am inclined to think that there must be some error in the calculation, because *Coghlan* shows that while the tonnage of Great Britain is only 2.4 per head of the population, the tonnage of the Commonwealth is 3 tons per head.

Senator STANFORTH SMITH.—That includes the Lund and the Archibald Currie lines.

Senator DRAKE.—I hesitate to accept the comparison, because I am not sure of the basis of the calculation. According to *Coghlan*, however, the Commonwealth shows an excess of tonnage per head when compared with Great Britain.

Senator DAWSON.—The long coast line may to some extent account for that.

Senator DRAKE.—That may be so, but I take the opportunity to warn honorable senators against some of the calculations made, because in Australia there is unavoidably a certain amount of duplication, vessels arriving at one port and clearing at another being counted twice and sometimes oftener. This shows how necessary it is to be careful in accepting statistics on the point. However, there is sufficient to show beyond doubt that for a country of the population of Australia there has already been developed a very substantial mercantile marine, which we hope in the future will be much extended.

Senator MACFARLANE.—Is the Attorney-General referring to the registered tonnage in the Commonwealth?

Senator DRAKE.—I refer to the tonnage per head of the population.

Senator Sir JOSIAH SYMON.—The registered tonnage?

Senator DRAKE.—Yes.

Senator Sir JOSIAH SYMON.—Not the in-and-out tonnage.

Senator DRAKE.—Many honorable senators may be inclined to say that there is nothing particularly original in this Bill; and I have to admit, of course, that the measure is to a very great extent compiled from existing legislation. The Government prefer to adopt legislation which

has been already tried and proved rather than strike out into fresh paths, unless, of course, it can be shown that an alteration of the existing law would be an improvement. Where we find that the law as it exists can be improved we shall not hesitate to endeavour to improve on it; but I may say at once that the basis of the Bill is the Merchants' Shipping Act of 1894—the great measure which codified the law relating to merchant shipping in Great Britain up to that date. The Government have also had the assistance of the New South Wales Seamen's Act of 1898, and the Shipping Act of about the same date. Then many of the new provisions in the New Zealand Shipping Act have been adopted; but the Marine Act of Victoria, which is not a measure of very great importance, has been very little drawn upon. These Acts form the basis of the Bill which I now submit to the Senate. We have endeavoured, wherever possible, to simplify the phraseology of the preceding legislation and to avoid technicalities.

Senator GUTHRIE.—And in many cases to alter the meaning of the previous legislation.

Senator DRAKE.—Probably in some cases the meaning has been altered, and, I hope, to good purpose. That is a matter, however, which Senator Guthrie will be able to deal with when he addresses the Chamber. I shall be only too happy, speaking for the Government, to receive any suggestions of a valuable nature during the passage of the Bill. The Government introduced the measure with the *bona fide* intention of making as good a law as possible for the Commonwealth, and we rely on members of both Houses to assist us in that work. The subject, as I have said, is a vast one, and if the Senate will allow me, I should like, for the purpose of simplification, to deal with it in divisions. I have always found, in the preparation of a Bill, that the first and most important matter is to know what it is desired to achieve, and, having ascertained that, to draw the Bill according to design. In the same way, it will be of some assistance if I state, first of all, under separate headings, what is the object aimed at by the Government, and then the provisions by which we endeavour to carry out our intention. I do not desire to go unnecessarily far back historically, but, in connexion with some of the subjects dealt with, it is desirable to show that the ideas which are at the basis of the measure are not modern, but have been current for many centuries past.

Senator GUTHRIE.—In the dark ages, some of them.

Senator DRAKE.—Some of the ideas of what the honorable senator calls the "dark ages" are much the same as those which animate the people who are now most desirous of making our shipping laws what they ought to be.

Senator Sir JOSIAH SYMON.—Only they have become darker as time has gone on.

Senator DRAKE.—I think not, and we will test that by a very brief extract from the laws of the Hanseatic League—that league of northern towns, which, in the twelfth century had more to do with navigation than any body of men had had previously. I find that the master was "not to give the seamen any cause of mutiny," nor "to provoke him by calling him names"; nor "wrong him; nor keep from him that which is his, but to use him well, and pay him honestly that which is his due."

Senator Sir JOSIAH SYMON.—It sounds like a bit from the Old Testament.

Senator DRAKE.—Could either the Old or the New Testament more concisely state the idea that the seaman is a human being, who ought to be properly treated? The just and humane treatment of seamen is not only not inconsistent with the interests of honest ship-owners, but, from a national standpoint, is the highest wisdom. From that time, not to go further back, there has prevailed always the same idea, namely, that if a seaman is to be expected to act as a man, and do good work, he must be treated as a man.

Senator GUTHRIE.—That is not provided for in the Bill.

Senator DRAKE.—We shall see whether there is anything of a humane character in the Merchant Shipping Act, which it is not proposed to re-enact in the measure before us. At all events, I shall be able to show—whether Senator Guthrie can prove his point or not—that, in many instances, the alterations that have been made—in fact, all the amendments made in the Merchant Shipping Act—have been in the direction of securing that humane treatment which we think is so absolutely necessary. I must in this connexion refer to the reports of one or two bodies which have dealt with this matter. I am, perhaps, more completely justified in doing so, when I see that there is some disposition in the Chamber—and, possibly a quite justifiable disposition

—to doubt the weight of remarks made by me, unless they are supported by authority. I shall quote from the valuable report of the Committee on the Manning of British Merchant Ships, of the quite recent date of 1896, although, I suppose, some honorable senators have already seen the document. In paragraph 10, that Committee set out the impressions made on them by the evidence, and give their reasons why they claim, as they do, that the seaman is entitled to fair and just treatment. It will be seen that a comparison is made between the treatment accorded to workers on land, and to workers on sea. The report states—

In introducing to the House of Commons a very comprehensive and greatly ramified extension of our factory legislation on the 1st March, 1895, the Home Secretary said:—"The Bill is framed in what the Government believe to be the spirit which has animated the whole of our factory legislation, the aim and intention of which, I understand, to be to provide for all classes of workers to whom it applies those reasonable conditions for the safety of life and health which are, in fact, observed by wise employers and well-conducted undertakings." This view was readily acquiesced in by the House of Commons, irrespective of party, and we accept it as furnishing us with a guide, if guidance be necessary, in the preparation of this report, and in framing the proposals which it will be found to embody. Our inquiry has developed no reason for attempting to do more than to secure for seamen and firemen in our mercantile marine "those reasonable conditions for the safety of life and health, which are, in fact, observed by wise employers and well-conducted undertakings." To do less than this for our countrymen, whose lives are spent afloat under the supreme control of the master of the ship for the time being, and far away from those opportunities of self-protection which life ashore affords, would be to withhold from men who run great risks, and to whom redress is difficult, that legislative protection which is freely accorded to men whose risks are smaller, and who have the means of redress always at hand.

That passage, I think, makes it clear that it is our duty to give those engaged on the sea as good protection as is given to those who work on land. If we turn to the Bill, we find in Part II. nearly all the provisions which have special reference to the welfare and well-being of those who are employed on board ship, not only as seamen, but as officers and masters. Clauses 20 to 26 are taken from the Merchant Shipping Act. The clauses 26 to 29 deal with the subject of what is here called "Supplying seamen." The technical term used in the past has been, I believe, "crimping," which I find described thus by Sir Henry Calcraft, the Permanent Secretary of

the Board of Trade, in connexion with the Royal Commission upon Labour, 1894—

A system by which certain boarding-house keepers, if not checked, take advantage of certain weaknesses of seamen, or of the peculiar circumstances of their lives, to obtain complete control of their liberty of action, and practically control the supply.

We say that taking into consideration the peculiar circumstances of a sailor's life, it is desirable that he should have some protection from unscrupulous persons, who might endeavour to make a profit out of the means by which he has to earn his living. Clauses 30 to 34 deal with apprentices. I shall have something further to say with regard to apprentices, because by provision for an increased number of apprentices, in the course of time the proportion of British seamen upon British ships may be increased. I am referring to these clauses now, merely in order to show the effect they will have on the welfare of young fellows who may desire to become apprentices, with a view to adopting a sea life. We provide in the Bill that they must have given their consent before they can be required to go to sea; it must be shown that they are in a fit state of health for the performance of the particular class of work they will be asked to perform; and further, that the master to whom they are to be bound, is a suitable person for the purpose. I am merely glancing at the clauses, assuming that honorable senators will study them, so that they may have a full knowledge of them by the time we arrive at the committee stage. Honorable senators will find that clauses 35, 36, and 37 deal with the subject of rating. These are very important clauses for the reason that in the present state of the shipping law there is nothing whatever to prevent any person shipping as an A.B. The consequence is that all sorts of persons, who may have had very little knowledge of sea life before, are enabled to fill up the complement on board ships. It is here proposed that in future a man shall not be rated as an A.B. unless he has served four years at sea, either as an apprentice or before the mast. In this way there will be some guarantee in the future that an A.B. will really be a seaman fully qualified for the discharge of his duty. Clause 38 deals with the complement of men required, according to the tonnage of the ship. We have dealt with the subject in this way: we have provided a schedule showing the

number of men required in the different classes of ships, according to tonnage. I speak subject to correction, because I can hardly believe it; but I understand that at the present time ships can be sent to sea without any regulation whatever as to the number of the crew, except that the number shall appear upon the articles. That is to say, that ships can be sent to sea undermanned to any extent.

Senator GUTHRIE.—They can sail with only the certificated men.

Senator DRAKE.—Under this Bill we provide that no ships shall be sent to sea without a crew equal to the number provided for in schedule 2. We hope by this means to put a stop to the systematic undermanning of ships, and we think that the matter is better dealt with by a reference to a schedule than by incorporation in a clause of the Bill. I desire to refer to one other passage dealing with this subject in the report upon the manning of British ships, from which I quoted just now. It will be noticed that in clause 36 we make provision that a man shall not be rated as a "greaser" until he has served for three months as a fireman at sea, or on land; nor shall he be rated as a fireman until he has served three months as a trimmer at sea, or on land. Complaint has been made that sometimes after steam-ships have gone to sea firemen are taken off duty to perform other duties, with the result that the number of firemen employed has been reduced below the number which safety requires.

Senator TURLEY.—A man could serve his three months as a "trimmer" on land.

Senator DRAKE.—I presume that his work upon land, though it might not entirely qualify him, would, at all events, be better than no qualification whatever. Section 103 of the report, to which I have referred, is as follows:—

Our reason for the separation, which we advise, of boiler-room and engine-room work is to be found in the evidence that we have received of the practice that has hitherto existed in many ships of the signing on of all hands in the engine department other than the engineers as firemen, and the withdrawal of a man or men from among the firemen so signed on to serve as greasers and attendants in the engine-room, or as donkeymen, thus casting the whole work of trimming and firing upon a less number of men that have been shipped as necessary for that work, to the grave and reasonable dissatisfaction of those left to do all the work.

That is the reason why these clauses have been adopted.

Senator GUTHRIE. — The Government have not adopted the recommendation of the Committee in this Bill.

Senator DRAKE.—We have adopted part of it.

Senator GUTHRIE.—The Government have not adopted the principle the Committee recommended for manning.

Senator DRAKE.—We have adopted the principle of preventing firemen from being taken away from their duties as firemen by requiring that men must have a qualification for that particular kind of work. Section 104 of the report reads—

In submitting this view, we have not been unmindful of the desirability of keeping open the door, so to speak, by which good and clever men may in the course of time pass from the exhausting labours of the stoke-holes to the less trying service of the engine-room.

In order to insure that seamen shall be properly treated it is of the very greatest importance that there shall in each case be an agreement governing their employment. The Bill provides that there must be an agreement drawn up and signed before the vessel sails, and that it must be exhibited on board the ship. There is also an implied obligation in every agreement that the ship shall be seaworthy. It is highly desirable that there should be some protection of that nature provided for.

Senator WALKER.—The insurance companies will look after that.

Senator DRAKE.—In connexion with this matter a number of clauses have been taken from the New South Wales Act to meet cases in which Islanders are engaged on board ship. I need not refer particularly to the clauses; but in such cases the agreement is in every case to be made before the superintendent. It is desirable that special provision of that kind should be made where we are dealing with races who must, to a certain extent, be considered as being incapable of looking after their own interests. I am referring particularly to clauses of the Bill which are original, or which involve alterations of the form in which they appear in other Acts. Clause 85 deals with discharge before completion of term. In all these cases full wages are to be paid. Under clause 91, in the case of discharge abroad, a man may sue for his wages abroad with the consent of the master, or without that consent if he proves that he has been the victim of ill-usage. Honorable senators will notice that clause 93 deals with the subject of desertion, and

provision is made that a man charged with desertion may give proof that he has had sufficient reason for leaving the ship. That is to say, if satisfactory reason is shown to the Minister for his leaving his ship he is not to be adjudged guilty of desertion.

Senator GUTHRIE.—Clause 93 deals with evidence of desertion.

Senator DRAKE.—That is so; but the honorable senator will find that under sub-clause 2 it is stated that the desertion shall thereupon be deemed to be proved—

unless the seaman or apprentice can show to the satisfaction of the Minister, or the Court, that he had sufficient reasons for leaving his ship.

Senator Sir JOSIAH SYMON.—Why the Minister?

Senator DRAKE.—It may be the Minister or the Court. The reference is to the Minister administering the Act.

Senator Sir JOSIAH SYMON.—Which Minister?

Senator DRAKE.—The Minister for Trade and Customs.

Senator Sir JOSIAH SYMON.—Is he to be the Minister? We should have a Minister for Navigation.

Senator DRAKE.—There is no special Minister for Navigation. Clause 6 provides that—

This Act shall be administered by the Minister for Trade and Customs, and the Department of Trade and Customs shall be the Department to carry it into effect.

I am not going through the Bill clause by clause, as that would be too great a task, and I could not say when I should finish. With regard to the discipline clauses, there are a number of offences and punishments provided for. Every honorable senator will admit that it is impossible for the business of navigation to be carried on unless offences against the discipline of a ship are subject to punishment. This is in the interests of the men who are well behaved, in the interests of the passengers, and of everyone else. I think it will be found that in the offences and the scale of punishments every consideration has been shown for the men, and every effort made to insure their proper treatment.

Senator GUTHRIE.—Absence without leave, two months' imprisonment! Is not that nice?

Senator DRAKE.—I anticipated that there would be objection to some of the penalties provided. The matter is one for

the Senate to consider ; but surely, when the lives of the passengers may be in danger—

Senator GUTHRIE.—It does not say at sea. The absence may be while the ship is in port.

Senator DRAKE.—It may be in port, and it may still endanger the ship or the crews. I anticipated some objection to these provisions, but some of the questions we have to deal with now have had to be dealt with in times past. There are such things as duties and discipline. All have duties. The ship-owner has duties, the master has duties, and the men have duties. The only way in which we can possibly get along in life is by the observance of some sort of discipline, which means the methodical and orderly performance of duty.

Senator GUTHRIE.—Where the Merchant Shipping Act provides for imprisonment for twelve weeks this Bill provides for imprisonment for twelve months.

Senator DRAKE.—That is detail, to which the honorable senator can refer at the committee stage of the Bill, and from what I know of the Senate, I have not the slightest doubt that, if he can show that any of these penalties are more severe than those provided for in the Merchant Shipping Act of 1894, honorable senators will assist him to alter the Bill. I am dealing now with clauses 104 to 108. Clause 108 provides that no assault shall be committed on any seaman—

No master or officer of a ship shall assault any person belonging to the ship.

Senator GUTHRIE.—What is an "officer"? There is no definition of the term in the Bill.

Senator DRAKE.—No; I have to make an alteration in the Bill with regard to that. There is no definition of an officer of a ship in the Bill.

Senator GUTHRIE.—The definition is of a "public officer."

Senator DRAKE.—That is so. It is not the correct definition.

Senator Sir JOSIAH SYMON.—Is not what the honorable and learned senator has read the law now?

Senator DRAKE.—It is the law under the Merchant Shipping Act. I did not say that there was any novelty about that. I am saying merely that we should endeavour to maintain discipline on both sides, the discipline of masters and men. The men must behave themselves and do their

duty, and the masters must respect the men in the performance of their duty. I propose to refer to a few old provisions which are rather interesting as showing how the shipping law has grown up. I can go back as far as the beginning of the thirteenth century to *Les Roles d'Oleron*, as they were called, "The Laws of the Sea," which are supposed to date from the first crusade, when there was a great movement of western nations to the east. I find that article 12 provides that—

The master having hired his crew was to be invested, in the first place, with the duty of keeping the peace.

That is the magisterial authority which the master of the ship has to-day.

If any man gave the lie to another at table, where there was bread and wine, he was fined four deniers, but if the master himself offended in that way he had to pay a double fine.

If a sailor impudently contradicted the master, he was fined eight deniers. If the master struck him, he was required to bear that blow, but if the master struck more than one blow, the sailor might defend himself; whereas if the sailor committed the first assault, he was fined one hundred sous, or condemned to lose his hand. It would appear that the master might call the sailor opprobrious names, and in such case the sailor was advised to submit, or to hide himself in the forecabin out of sight; but if the master followed the sailor, he might stand upon his own defence—for the master ought not to pass into the forecabin.

By article 13, it was enacted—

That if a difference arose between the master and the seaman, the former might not deny the seaman his mess thrice before he was turned out of the ship; if the latter offered satisfaction and was refused, and then turned out of the ship, he could follow the ship to the port of discharge, and claim full wages.

The master not taking any seaman in his stead, in such case rendered himself liable for any damage occurring.

It will be noticed how little we have changed in the course of centuries. There is in these provisions of olden times the same idea of reciprocal duties and their performance by both master and man. I do not know that we are really very much in advance of them at the present time. At all events, we hope, not only in the interests of the men but of all classes of the community, that we shall have a code of laws for our ships which will be as humane and as effectual as the code of laws we have for our workers upon land. I have pointed out before that there are several provisions in the Bill making it clear that a man is entitled to get the wages he has earned.

He is not under any circumstances to be deprived of them. There is a new provision in the series of clauses from 109 to 119, which makes it perfectly clear that in a case where a seaman has committed an offence, and is convicted and imprisoned, he shall still have secured to him the full amount of his wages.

Senator DOBSON.—Objection has been made to the master's lien for wages coming after the lien of the men. Is that in accordance with the Merchant Shipping Act?

Senator DRAKE.—There is a provision that the master's rights, liens, and remedies shall be the same as those of the men.

Senator DOBSON.—Look at clauses 80 and 96. Clause 80 says that the lien for seamen's wages shall have priority over all other liens; and clause 96 similarly protects the master. Is that in accordance with the Merchant Shipping Act of England? I have heard objection taken to it by mercantile men.

Senator DRAKE.—I have not compared this Bill with the Merchant Shipping Act section by section, and am only pointing out where there is any deviation from the Merchant Shipping Act. But it is made perfectly clear that the claim of the seamen has priority. That is so in the Merchant Shipping Act, and we have made it so in this Bill.

Senator DOBSON.—The officers also have a prior claim.

Senator GUTHRIE.—Officers are seamen.

Senator DRAKE.—There is an alteration in section 80, sub-clause 2 of which provides that—

The lien for seamen's wages shall have priority over all other liens.

That is, I believe, an original provision,

Senator DOBSON.—But, read clause 96.

Senator DRAKE.—That clause says that the master of a ship shall have—

The same rights, liens, and remedies for the recovery of his wages as a seaman has by law or custom.

But that cannot override clause 80. There cannot be two priorities. That, I think, is what Senator Dobson means.

Senator DOBSON.—The Bill gives no effect to the prior claim of the men. The seamen must come in first, in my humble judgment.

Senator DRAKE.—I think the seaman does come in first. There are also several clauses to insure that the ship shall be properly supplied with provisions, and there is a clause enacting that, in case the

provisions are not sufficient in quantity, or of good quality, from some preventable cause, the master of the ship shall compensate the men in cash. That is about the best safeguard that the men could possibly have against any deprivation of provisions, or against any deficiency in quality.

Senator GUTHRIE.—But where does the Bill insure that the provisions shall be a matter to be covered by the agreement?

Senator DRAKE.—The clause says that any conditions may be put into the agreement.

Senator GUTHRIE.—But the Merchant Shipping Act contains a scale of provisions.

Senator DRAKE.—Which has to be put in the agreement?

Senator GUTHRIE.—Yes, but there is no provision in this Bill with regard to the quantity of the provisions.

Senator DRAKE.—I thank the honorable senator for pointing that out. It is left to the parties to put any provision in the agreement with regard to that matter, but I have no doubt there is a great deal to be said in favour of such a condition as the honorable senator mentions being put in the Bill.

Senator TURLEY.—The Bill does not say anywhere that the provisions shall be specified in the agreement.

Senator DRAKE.—It is left open. In clause 124 provision is made for the appointment of medical inspectors. That is an important matter which has not hitherto received proper attention. The clause is inserted to insure that proper medical stores shall be kept on board, and that seamen shall be provided with such medicines as they may need. I also draw attention to clause 131, which provides that in case of a seaman being left behind at any foreign port the master of the ship shall leave with him not only the amount of his wages, but also a sum which may be fixed by the superintendent at anything up to £50, as a deposit to cover the cost of his maintenance, or medical attendance if he is sick, or the payment of his passage back to the port of his engagement, or of his burial in case of his death in Australia.

Senator Sir JOSIAH SYMON.—There is provision for medical inspectors under the Merchant Shipping Act.

Senator GUTHRIE.—It is one of those provisions that is never complied with because it is permissive.

Senator DRAKE.—Senator Guthrie says that it is a waste-paper provision, because it is not acted upon. I have referred in

general terms to the administration of this Bill. I think the honorable senator approves of the proposal that, instead of having Marine Boards as we have had in the past, the measure shall be under a central administration. We shall thus be able to see that its provisions are given effect to. We do not want to have anything in the Bill that would simply be waste paper. We desire that all these shall be living provisions, and shall be given effect to. Clause 133 is, I think, new. It provides that clothing, blankets, and tobacco, and things of that sort, of which the seaman is in need when he is at sea, should be kept on board every ship. The clause reads—

The owner of any British ship proceeding to sea from any port in Australia to any other port outside the limits thereof, shall cause to be carried in the ship a supply of all articles of clothing ordinarily required for a seaman's use, having special reference to the voyage then entered upon, and also a supply of woollen blankets, and of tobacco sufficient for the wants of the crew. All such articles shall be of good quality, and shall be sold to the crew at a price not exceeding 10 per cent. advance on the wholesale price at the port of shipment.

Senator Sir JOSIAH SYMON.—Does the honorable and learned senator think that provision can be enforced against an English registered ship coming to an Australian port?

Senator DRAKE.—If registered in Australia.

Senator GUTHRIE.—The Bill makes no provision for registration in Australia.

Senator DRAKE.—It is not necessary, because registration is provided for in the Imperial law.

Senator Sir JOSIAH SYMON.—Does this conflict with Imperial law?

Senator DRAKE.—I think not. We may not be able to enforce this provision upon British ships registered in other parts of the world.

Senator Sir JOSIAH SYMON.—Then what is the use of putting it in?

Senator DRAKE.—To make it applicable to our own ships.

Senator Sir JOSIAH SYMON.—Then why not say so?

Senator DRAKE.—We say nothing to the contrary. We say—

The owner of any British ship proceeding to sea from any port in Australia.

Senator Sir JOSIAH SYMON.—The Government could not enforce this against the P. & O. Company.

Senator DRAKE.—I think that the honorable and learned senator once had an opinion that we could not enforce another provision, but we did enforce it successfully.

Senator GRAY.—Why should it be enforced against a British ship and not against any other ship?

Senator GUTHRIE.—Why should not French and German vessels provide clothes, blankets, and tobacco as here required?

Senator DRAKE.—I think they ought to, but at present we could not enforce it against them. In clauses 134 and 135 provision is made for the proper accommodation both of officers and men aboard all ships.

Senator GUTHRIE.—Does the honorable and learned senator consider that 72 cubic feet per man is sufficient accommodation?

Senator DRAKE.—I think that in the past the seamen on many ships have had even less accommodation than that.

Senator GUTHRIE.—Never.

Senator DRAKE.—I am quite sure they have. Clause 136 provides that seamen shall be allowed in all cases to go ashore if they have any complaint to make.

Any seaman or apprentice may demand permission to go ashore at a convenient time in order to consult a superintendent, or collector, or justice.

That is a very fair and proper provision. The object of clauses 143 and 144 is to insure that seamen shall not be improperly charged with maintenance. It is also provided that where other countries have similar provisions, and agree to their enforcement, they may be made applicable to the ships of those countries. I am informed that up to the present time the following countries have agreed to enforce provisions of this character, namely:—Belgium, Denmark, Germany, Italy, Sweden, Norway, United States, and Austria-Hungary. I do not think that it is necessary for me to go in detail into all the other clauses of the Bill. I prefer that at this stage honorable senators should look at the provisions for themselves. There are, for instance, clauses with regard to deceased seamen: whether they make wills or die intestate, their effects are to be disposed of, and the proceeds are to go to their relatives or to the persons to whom they would naturally go under ordinary circumstances if the men died on land. There is also a provision with regard to the families of seamen that is of very great interest to people interested in the welfare of sailors. If

a man goes to sea, and leaves his family on land, he can make provision that the family may receive relief, and whatever is expended by the Government on behalf of the family becomes a charge upon the man.

Senator GRAY.—I notice that the fines are £10, £50, £500, and so on. Are all these fines arbitrary?

Senator DRAKE.—They are the maximum fines. There is a general provision in the Acts Interpretation Act that where a penalty is put at the foot of a section it means that an offender may be fined any sum up to that amount. I have now run through all these provisions — hastily, I know, because time does not permit me to go through them at greater length. I think that the remarks I have made cover generally the alterations in the provisions of the Merchant Shipping Act, with regard to the welfare of officers and seamen at sea. I wish to deal now with another branch of the subject that may be described as the general safety of a ship. Of course, it will be understood that I regard the safety and well-being of the men as of the first importance in connexion with shipping. Unless we have proper provision for the welfare of the crews we shall not be likely to attract to our mercantile marine a class of men who will be reliable in saving a ship in an emergency, and in saving life in case of shipwreck. But there are a number of other provisions which are necessary to insure the safety of ships — provisions with regard to signals, provisions for insuring that a vessel shall not be sent to sea in an unseaworthy state, and provisions affecting appliances for saving life at sea in case of shipwreck. The difficulty experienced in framing provisions to insure the safety of ships, is this: that when such provisions are onerous to the ship-owner, they have the effect of placing him in a worse position in competition with the owners of vessels in countries that do not insist upon any such regulations. That is one very great difficulty in connexion with the enactment of any shipping law. We desire that our law shall be as complete as possible in all its provisions for insuring the safety of ships, and for saving life at sea. But we have to bear in mind that there is a continual competition with ships owned in countries that do not enforce similar provisions. Of course the difficulty would disappear if there were some international tribunal which laid down regulations with regard

to shipping. But we have to deal with things as they are, and I propose now to show the attitude that we have adopted with regard to those matters in this Bill. We say that we ought to take all the steps that we possibly can take to protect our own shipping against the unfair competition of other countries that will not adopt similar safeguards. The protection of British shipping, as compared with foreign shipping, has, of course, been proceeding for a very long time past. Indeed, if we go back to what are called the dark ages, we shall find that very often the statesmen of those times had more regard for national interests, if I may use that expression, than some statesmen had in more modern times. Going back to the time of Charles II., we find that when the Dutch were anxious to regain that supremacy at sea which to a large extent they had been deprived of, since the time of Cromwell, provision was made in England to insure to a greater extent that British goods should be carried in British ships.

Senator PLAYFORD.—Cromwell made such provision also.

Senator DRAKE.—He did; and in doing that he placed the position of British shipping above that of Dutch shipping, and it was when the Dutch were trying to regain their supremacy that an Act was passed in the reign of Charles II. — 12 Charles II., cap. 18 — which provided that no foreign built ships should have British privileges, although owned by Englishmen, and further steps were taken to encourage the building of ships of large tonnage. The particular authority whom I am quoting goes on—

These Acts were so effective that they are said to have destroyed the Dutch commerce, and at the peace of 1667 the Dutch struggled hard to get them rescinded. There was great diversity of opinion as to what would be the effect of these Acts, and the following statements are of interest. Sir Joshua Child, who wrote "Discourses on Trade" in 1666 to 1668, writes—"Without these Acts we had not now been owners of one-half of the shipping or the trade, nor should we have employed one-half of our seamen."

And Anderson, in his *History of Commerce*, says—

So vast an alteration had these Acts brought about, that in a few years we were at length become, in a great measure, what the Dutch once were—that is, the great carriers of Europe, especially within the Mediterranean Sea.

Subsequently when, in spite of these provisions, the Dutch began to creep in again,

an Act of James II. imposed a duty of 5s. per ton on all foreign vessels engaged in the coasting trade. Then, in the reign of George II., an Act was passed providing that all ships engaged in the coasting trade of Great Britain and Ireland should be registered. All these provisions were designed to benefit British ships, as against foreign ships.

Senator HIGGS.—It is to hoped the Attorney-General will not mention the "dark ages" in connexion with wise provisions of that kind.

Senator DRAKE.—When I used the words "dark ages" I was making a somewhat sarcastic reference to a remark made by Senator Guthrie. In some respects I think, as I said before, that the people of those times showed stronger national instincts than do the statesmen of the present day. About the commencement of the second half of the last century legislation was passed which repealed all those enactments designed to encourage British shipping as against foreign shipping. By an Act of 1853 all restrictions were removed, and the employment of foreigners indiscriminately was permitted. The latter were admitted to equal rights with British seamen of all classes. I do not want to absolutely condemn what was done at that time, but the effect of the removal of all restrictions was to a great extent the transference of British commerce to foreign ships.

Senator Sir JOSIAH SYMON.—British shipping is half the shipping of the world.

Senator DRAKE.—But to a great extent British ships are manned by foreigners.

Senator Sir JOSIAH SYMON.—The Attorney-General is confusing two matters.

Senator DRAKE.—I know the extent to which the trade of Great Britain at the present time is carried by foreign ships.

Senator TRENWITH.—It is possible to tell a British ship only by referring to the register; the fact cannot be ascertained by looking at the crew.

Senator Sir JOSIAH SYMON.—Britishers cannot be got to man all the ships.

Senator DRAKE.—In 1853, as I say, all these restrictive provisions were repealed, and the coastal trade of Great Britain was thrown open to Britishers and foreigners alike.

Senator GRAY.—Hear, hear! Look at the result.

Senator DRAKE.—We shall see what the effect has been. In 1862, an Act, xxv.

and xxvi. Victoria was passed, requiring the examination of engineers, providing for wreck inquiries, and making rules for the prevention of collisions at sea. In 1876 a very valuable Act was passed, which made it a misdemeanour to send an unseaworthy ship to sea. I now proceed to show the effect of repealing those laws which restricted the carriage of British goods in British ships. I shall quote from the report of the Committee on the Manning of British Merchant Ships. At page 10, paragraph 23 of that report, we read—

At the same time we have been much impressed with the evidence which has been laid before us with reference to the effect of foreign competition. It has been stated that British ships which have been transferred to foreign flags are worked more economically after than before the transfer, and that consequently foreign ships are superseding British ships, owing to their ability to accept lower freights.

That is the gist of the whole matter. We endeavour to make provisions in order to insure the safety of ships and the comfort of crews; but ship-owners have objected in many cases to accepting onerous laws of the kind, because, as they point out, foreign shipping companies have not to comply with similar conditions, and, consequently, with their less working expenses, can afford to carry cargo at lower freights.

Senator MACFARLANE.—Very well.

Senator DRAKE.—Some honorable senators may regard that as a good result, but I do not. I wish now to quote a passage from the report of a Select Committee which inquired into the subject of subsidies to steam-ships and sailing vessels under foreign Governments. That Committee reported in 1902, and at page 20, paragraph 4, they stated—

As regards Board of Trade regulations, complaints have been made to your Committee that in home ports great interference is practised with British ships, while foreign ships competing with British ships are subjected to less searching inspection, and thereby have a very distinct advantage. This applies especially to the load line (Plimsoll) regulation. That suggestive cases do occur cannot be doubted. An illustration was given of a British ship, the carrying capacity of which, as a British ship, was 1,825 tons. She was sold to the Germans at a very heavy depreciation on her cost, and under the German flag she came to Liverpool actually carrying about 2,100 tons; therefore, under the German flag she carried about 275 tons more than she was allowed to do when British-owned, being an increase of about 15 per cent., and, in addition, she carried a smaller crew at less wages. The Board of Trade, however, has no power to insist upon a foreign ship being marked with a load line mark;

the most it can do is to stop a foreign ship which is overloaded and unseaworthy, although any surveyor may have difficulty in judging by the eye whether a ship is overloaded or not. It is true that many foreign ships have voluntarily introduced a load line of their own, but much depends on where the load line is placed. At the same time there is no real dissatisfaction with the load line regulation; the desire rather is that it, and other British regulations, which certainly contribute, with foreign subsidies, to affect British trade, should be enforced against foreign ships in British ports equally with British ships, so that all legislative restrictions applied to British ships should be made applicable to all foreign ships coming to British or Colonial ports, and competing with British ships.

We have done what we can in this connexion, and, at all events, we can protect our own coastal trade. To show how British shipping is handicapped by subsidies to foreign shipping lines. I would point out that the North German Lloyd Company receive £115,000 per annum, or at the rate of 6s. 8d. per mile travelled; that the Messageries Maritime Company receive an amount which I do not exactly know, but which means 8s. 4d. per mile travelled, while the total amount paid by the French Government for postal services of the kind is £1,067,271, of which £124,317 is paid to the vessels in the Australian trade; and the Japanese subsidize their vessels to the extent of £50,000 per annum. These subsidies, combined with the absence of the onerous conditions to which British ships are compelled to comply, give an unfair advantage to the foreigner.

Senator GUTHRIE.—Great Britain gives subsidies to shipping in connexion with the mail services.

Senator DRAKE.—The British Government pay £85,000 per annum to the P. and O. Company, and a similar sum to the Orient and the Orient-Pacific companies respectively.

Senator DOBSON.—Do the figures referring to foreign subsidies include the payments for postal services?

Senator DRAKE.—Yes. It is unfair that foreign shipping should compete with British shipping while not being called upon to comply with the conditions imposed on the latter. It is, of course, impossible to compel foreign countries to adopt the same regulations, but still we think that for the safety of shipping and life, it is necessary to make provision to protect British trade from unfair competition. I propose now to turn to the Bill again in order to refer to some of the provisions re-

lating to this branch of the subject. Clause 12 provides:—

No ship shall proceed to sea unless she is provided with a duly certificated master and officers, according to the scale set out in Schedule I, or as prescribed.

If honorable members turn to Schedule I., they will see the number of officers required for each ship.

Senator PEARCE.—This provision does not apply to foreign ships.

Senator DRAKE.—There is no power to make it applicable to foreign ships. Clause 13 provides that officers shall possess certificates of competency. Clause 15 states that no person shall be admitted to examination unless he is a British subject and speaks the English language fluently, and possesses the prescribed qualifications. This is one of the measures proposed in order to insure that British ships, so far as we have the power, shall be officered and manned by British subjects.

Senator GUTHRIE.—But the clause does not apply to the manning of the ships.

Senator DRAKE.—But there is a new provision in clause 18 in reference to manning.

Senator GUTHRIE.—There is a lot that is new in clause 13; the provision as to the engineers is absolutely new. There is no provision of the kind in the Merchant Shipping Act.

Senator DRAKE.—I think it desirable that engineers should pass an examination.

Senator GUTHRIE.—But why make this new departure?

Senator DRAKE.—Why should we not make the departure, if it is proper that the engineers should show their proficiency.

Senator GUTHRIE.—There were formerly two grades of engineers, and now, according to this clause, there are five or six.

Senator DRAKE.—The engineers are divided into first-class, second-class, third-class, and then in the second and third classes there are grade A for steamships and grade B for vessels propelled by any other motive power than steam. Is that what the honorable senator refers to?

Senator GUTHRIE.—Yes.

Senator DRAKE.—The probability is that in the near future we may have vessels propelled by a motive power other than steam or sail.

Senator GUTHRIE.—Is that the only reason for having six grades instead of two?

Senator DRAKE.—We think it advisable to have the engineers graded in this way. It may perhaps not be necessary at

present to have grade B, but I suppose we shall see vessels propelled by electricity some of these days, and a law of the kind will be necessary. The honorable senator is drawing me into details which are rather out of place in a second-reading debate.

Senator GUTHRIE.—There is a principle involved.

Senator DRAKE.—The principle is that we want to insure that the officers of a British ship sailing from Australia shall be British, competent, and with a good knowledge of the English language. That, surely, will be a great point gained. In the United States there are navigation laws which confine the American coastal trade to American vessels, the coasting trade being interpreted so as to include a voyage from San Francisco to New York. The United States Government are extending the operation of this law to the American possessions, and I do not think that they are at all likely to complain about a provision of this kind. I should like now to refer to clause 18. I have no doubt that Senator Guthrie is aware why power to re-examine is required. A man may happen to become colour-blind, and at present there is nothing to prevent his being employed without those employing him having any knowledge of the defect. In order to meet such cases this clause is inserted, and if a man be found afflicted in the way I have indicated, the fact is indorsed on his certificate, so that future employers engage him with full knowledge. There was a case, I believe, a little time ago, in which a vessel was lost owing to the colour-blindness of one of the officers. As to the crew of a vessel, it was remarked a little time ago that a knowledge of the English language was not insisted on.

Senator PEARCE.—What I pointed out was that there was no provision that the crew should be British subjects.

Senator DRAKE.—What is provided is that there shall be a certain proportion of able seamen on each ship, according to the tonnage, and each member of the crew must have served for four years as an apprentice, or for four years before the mast. Under such circumstances I think we may fairly assume that a man would acquire a fair knowledge of the English language. It is not perhaps all that might be required. We need to proceed somewhat slowly in this matter. I am prepared to hear the views of honorable senators on the subject, but I think it would be almost too

much to enact all at once that none but a British subject should be allowed to serve as a seaman upon a British ship. I propose to deal separately with the question of the manning of British ships by British seamen.

Senator CLEMONS.—What clause deals with the subject?

Senator DRAKE.—Clause 38, and the second schedule. Honorable senators will find, if they turn to Part IV. of the Bill, that it is devoted almost entirely to the subject of ships and shipping, commencing with clause 185, which provides—

This part of this Act shall apply to—

- (a) All British ships, and
- (b) All foreign ships carrying passengers or cargo shipped in any port in Australia to any port in the British dominions.

In this part of the Bill we follow, to a great extent, the Merchant Shipping Act, and I shall point out the provisions which are taken from the New Zealand and Victorian Acts. I call attention to clause 186, which provides that all ships shall be liable to inspection and survey. Clause 189 provides for the survey of steam-ships. Clause 205 is not original, but it is so important that it is worth while to draw special attention to it. This is the clause under which it is made an indictable offence to send an unseaworthy ship to sea. This provision was first enacted in 1876, and was re-enacted in the Merchant Shipping Act. It is, of course, a most important provision.

Senator GUTHRIE.—Only it is spoilt by the insertion of the word “knowingly.” It must be proved that the master knew that the ship was unseaworthy.

Senator DRAKE.—The clause provides—

Any person who sends any British ship to sea—there is no word “knowingly” introduced there—

and any master who knowingly takes any such ship to sea in an unseaworthy state.

And so on. The honorable senator will admit that the master might possibly be perfectly innocent in taking an unseaworthy ship to sea. It might fairly be assumed that the master did not know that the ship was unseaworthy, because he would be risking his own life. I think it is right, therefore, that it should be proved that the master knew the ship to be unseaworthy before he could be held to be guilty of such a serious offence. Clause 206

gives the definition of "seaworthy," a definition which is the result of a recent English case.

No ship shall be deemed seaworthy under this Act unless she is in a fit state as to condition of hull and equipment, boilers and machinery, stowage of cargo, number and qualifications of crew, including officers, and in every other respect to encounter the ordinary perils of the voyage then entered upon.

It is very useful to have that in the Bill, because it may save a lot of trouble in proving the conditions necessary to maintain that a ship was unseaworthy. Clause 214 contains a provision with regard to unsafe foreign ships. If a foreign ship is unsafe she can be detained.

Senator PEARCE.—What is the difference between "unsafe" and "unseaworthy?"

Senator DRAKE.—A ship might be unsafe through having dangerous cargo on board.

Senator PEARCE.—The provision with respect to unsafe ships applies to foreign ships, but not the provision with respect to unseaworthy ships.

Senator DRAKE.—The honorable senator will see that the clause refers to an unseaworthy ship that is unsafe.

Senator HENDERSON.—One provision is to deal with a ship which may go "down," and the other to deal with a ship which may go "up."

Senator DRAKE.—A ship might be unsafe and not unseaworthy. It is all provided for. Clause 207 provides that the Minister may detain an unseaworthy ship, and there are other provisions following with regard to dangerous cargo.

Senator PEARCE.—Clause 207 does not cover the case. The honorable and learned senator will see that it says:—

The Minister may order any unseaworthy ship (in this Act referred to as unsafe)—

There is a special provision for ships that are unsafe, and unseaworthy foreign ships evidently escape altogether.

Senator DRAKE.—I thank the honorable senator for his reference to the matter. I shall look into it. Clause 217 has reference to dangerous goods. Dangerous goods may be declared to be so by proclamation or by regulation, and then certain conditions have to be complied with before such goods can be shipped, and their carriage may be prohibited. The clauses in Division IX., commencing with clause 231, deal with deck and load lines, and are taken almost without alteration from the Merchant Shipping Act. This provision is

part of the recent legislation in Great Britain, and it seems to work fairly well, but if honorable senators can suggest any amendments I have no doubt they will do so. Clause 248, dealing with boat drill, is taken from the New Zealand Shipping Act. It provides that—

The master of every ship shall—

- (a) Exercise his crew in boat drill at such intervals as are prescribed.
- (b) Enter full particulars of each drill in his official log book.

Senator TURLEY.—In what part of the Bill is provision made for boats and equipment?

Senator DRAKE.—That is left to regulation.

Senator GUTHRIE.—Unfortunately.

Senator DRAKE.—The honorable senator says "unfortunately," but a number of matters connected with the Bill are left to regulation. They could all have been included in the Bill, but that would have very much increased its bulk. It is, of course, a matter for consideration whether any matter left to regulation shall be included in the Bill.

Senator GUTHRIE.—The question is whether we are here to legislate by Act or by regulation.

Senator DRAKE.—That is not the question involved. It is usual to allow special subjects to be dealt with by regulation, for the simple reason that to include them all in a Bill would greatly increase its bulk, and make its administration inconvenient.

Senator PLAYFORD.—We can alter regulations.

Senator GUTHRIE.—And we can hang up legislation by their means.

Senator DRAKE.—We can talk about that later. Clause 249 and some other clauses are taken from the Victorian Act, and deal with the testing of anchors and cables. Some of these provisions will hardly be operative now, but I hope that the time is not far distant when we shall be able to manufacture many of these things in Australia, and it will be necessary to have some provisions of this kind. In the different States up to the present time there have been constituted Marine Boards, but they do not appear to have worked very well.

Senator TURLEY.—Some of them.

Senator DRAKE.—The provisions with regard to Marine Courts will be found in Part X. of the Bill, commencing with clause

367. We have had Marine Boards in most of the States, and, generally speaking, I think they have not given satisfaction.

Senator CLEMONS.—The Marine Boards are not Courts in the sense in which the word is ordinarily used.

Senator DRAKE.—I have a report from a Royal Commission dealing with the Marine Board of New South Wales in 1897. This was the recommendation it made—

1. That the judicial functions of the Marine Board be separated from the administrative functions; that a Court of Marine Inquiry be constituted to be presided over by a District Court Judge, assisted by two or more assessors of nautical engineering, or other special skill or knowledge, nominated by the Government, and paid by fees, and that the judicial functions of the Marine Board be vested in such Court of Marine Inquiry.

There was another report upon Marine Boards, a special report of official representatives, made in April, 1903, in which this passage occurs—

Re establishment of Marine Boards in each State. It was suggested to us that in our new legislation it is desirable to continue a modification of the present system which prevails in the States of local Marine Boards. We beg to express our unanimous and emphatic opinion that any institution of local Marine Boards will be a serious and grave mistake. We maintain that the past experience of the States has conclusively shown this.

Senator GUTHRIE.—That was a report by public officials.

Senator DRAKE.—Yes. The passage to which I refer continues—

As an instance of this, in New South Wales, where formerly matters relating to navigation were under the control of a Marine Board, it was found necessary to re-organize the administration; the unopposed abolition of the Marine Boards took place, and was followed by the inauguration of the Department of Navigation.

The provision we have made for a Marine Court is as follows. We propose under Clause 369—

A Court of Marine Inquiry shall be constituted by one or more County Court Judges, or Police, or Stipendiary, or Special Magistrates, of the Commonwealth, or part of the Commonwealth, or of a State, or part of a State, or by one or more Judges or Magistrates specially authorized by the Governor-General to sit as members of a Court of Marine Inquiry.

Then under clause 370—

Every Court of Marine Inquiry shall be assisted by two assessors appointed under this Act, who shall advise the Court, but shall not adjudicate on a matter before the Court.

And by clause 371—

The Governor-General may appoint persons of nautical, engineering, or special skill to be assessors to assist Courts of Marine Inquiry.

Subject to the opinion of Parliament, we think that in that way a Court may be constituted which will be efficient and competent to deal with all matters which may properly form the subject of a marine inquiry.

Senator DOBSON.—Will existing Courts be asked to do the work?

Senator DRAKE.—If the honorable and learned senator refers to the ordinary law courts, I think not. For the purpose of a marine inquiry, it is much better to have a special Court.

Senator GUTHRIE.—There must be assessors.

Senator DRAKE.—Only one member of a Court is necessary under clause 369, and the assessors will be persons specially skilled in the subjects dealt with by the Court.

Senator DOBSON.—I hope we shall be able to make use of some of the Judges, and officers engaged in existing Courts.

Senator DRAKE.—I do not know where we are to get them. They seem to have plenty of work to do at the present time.

Senator FRASER.—There will be no new appointments, I hope. That is what we are afraid of.

Senator DRAKE.—I wish to refer now to the nationality of the men employed on British ships. I have pointed out already that the tendency for some time past has been for the crews of British ships to be constituted more and more of people of foreign nationality, whilst the British element has been growing less and less.

Senator FINDLEY.—Because the patriots have found it cheaper.

Senator DRAKE.—If honorable senators will bear with me, I will go back again to the past to show the view of this subject taken by Englishmen formerly. My desire is to show how far back we can trace the desire that British shipping should be worked by British people. I find, for instance, in an Act of Richard II.—5, Richard II., Chapter 3, it was enacted—

That for increasing the shipping of England, of late much diminished, none of the King's subjects shall hereafter ship any kind of merchandise, either outward or homeward, but only of the ships of the King's subjects, on forfeiture of ships and merchandise; in which also the greater part of the crews shall be the King's subjects.

Then showing how there has always been a forward and backward movement in this matter, it would appear that that provision was thought a little too severe, and in the next reign an Act was passed which

permitted the merchants, where no English ships were to be had, to export or import in foreign ships. Nine years later it was enacted that all English merchants should freight only in English ships, always provided that the freight was reasonable and moderate.

Senator PEARCE.—They evidently had some experience of rings even in those days.

Senator DRAKE.—Yes; that was a good protection against rings.

Senator MACFARLANE.—There is nothing new under the sun.

Senator DRAKE.—Then Elizabeth repealed all restrictions placed by her predecessors on shipping, and allowed all merchants to use whatever ships they pleased, subject only to the necessity of paying aliens' duty if they used the ship of an alien, but the coasting trade was reserved for British ships. In the reign of Cromwell, I find that there was a Navigation Act, called Scobele's Act, which stopped the Dutch trade with England, and declared their presence on the fishing grounds illegal. This is the wording of the Act—

That no merchandise, either of Asia, Africa, or America, including also our own plantations, should be imported into Britain in any but English-built ships, or belonging to English or English plantation subjects, navigated also by an English commodore, and three-fourths of the sailors to be Englishmen; excepting, however, such merchandise as should be imported directly from the original place of their growth or manufacture in Europe solely. Moreover, no fish thenceforward be imported into England or Ireland, nor exported thence to foreign ports, nor even from one of our own home ports to another, but what shall be caught by our fishers only.

Senator FRASER.—We have made wonderful progress since then, on the other tack.

Senator DRAKE.—That is true, but I am pointing out that the constant tendency of late years has been to make the proportion of British seamen employed on British ships less and less; and I desire only to show that even in these early times they laid down a general rule that there should be, at all events, a certain proportion of British sailors on every ship doing British trade.

Senator FINDLEY.—They were truly patriotic in those days.

Senator DRAKE.—I am endeavouring to show that there is nothing novel in what is proposed in the Bill. I am reminded by Senator Findley that the provisions to

which I have referred were truly patriotic, and it is patriotic now to require that there shall be a certain proportion of British sailors on British ships.

Senator PEARCE.—There is a strong agitation on the subject at present in the House of Commons.

Senator GRAY.—Half the Newcastle shipping will be destroyed by the provision.

Senator DRAKE.—Then coming down to the reign of George IV., I find that there was a new Act in which the general restriction as to British crews was maintained, viz., three-fourths of the crew to be British seamen; but if one British seaman for every twenty tons was carried, the rest of the crew might be foreigners. At a later date it was re-enacted that three-fourths of the crew were to be British seamen. In 1834, an Act was passed restricting the qualifications for the British ship-master to the natural-born subjects of the Empire, and to persons naturalized by process, according to law. That was the state of the law, until about 1850, when all those restrictions were swept away, and since that time there has been no provision requiring that any proportion of the crew of a British ship should be British. What has been the result of that system? Unfortunately, I cannot state exactly the number of foreigners employed, except in the year 1901. But the total number of persons employed, including foreigners, was 247,448 in 1900, 247,973 in 1901, and 253,540 in 1902. What I wish the Senate to remember is that out of the 247,973 persons employed in British ships in 1901, 37,630 were foreigners, and 37,431 were lascars.

Senator GRAY.—Cannot the Government leave England to look after her own interests?

Senator DRAKE.—We are going to look after our own interests.

Senator GRAY.—By laying up half the shipping.

Senator DRAKE.—We think that it is to the interest of the whole of the British people that the British trade should not be monopolized by foreigners. We consider that we should have a much larger proportion of British hands on British ships, and we hope that the people of Great Britain will see the matter in the same light.

Senator Sir JOSIAH SYMON.—In this Bill we are not legislating for Great Britain.

Senator DRAKE.—No, for the Commonwealth.

Senator Sir JOSIAH SYMON.—What remedy do the Government propose?

Senator DE LARGIE.—This Bill is going to set a good example.

Senator DRAKE.—In order to give honorable members an idea of what is the present state of things, I propose to quote a passage from the report of the Committee on the Manning of British Ships.

The case of the *Inchborva*, which stranded near Cape Fontana in March, 1894, affords a good illustration of the way in which some crews are composed. The master, purser, and second engineer were Welsh, the second mate and third engineer were English, the first engineer was Scotch, the first mate was Danish, the boatswain and one fireman were German, two A.B.'s and three firemen were Turkish, three A.B.'s and one fireman were Greek, the carpenter and one fireman were Italian, the donkeyman was Swiss, and the cook, steward, and cabin boy were French. The Superintendent of Mercantile Marine, at Dundee, reported that he "found it impossible to communicate with them, except through an interpreter. With the exception of three, and they could not be made to understand what was said, the men had not been in an English ship before." An inquiry was ordered, but abandoned, owing to the difficulty of getting the necessary witnesses together in this country. An inquiry was, however, held into the subsequent stranding of the *Inchborva*, in February, 1895, when the Court found that the vessel was undermanned, and that the stranding was due to bad look-out.

That is a long way off, but here is an instance which occurred in Australia, if not during the present month, at the end of last month.

A British ship now in port has the following crew:—

British.	Foreign.
Master	Carpenter
Mates (3)	Boatswain
Sailmaker	Cook
Stewards	Donkeyman
2 ordinary seamen.	15 A.B.'s
	4 O.S.

I am not looking at this matter from the point of view of the desirability of finding employment for our own people, but from the point of view of the necessity of insuring the safety of ships. A ship cannot possibly be considered to be safe where it has such a mixed crew; it is difficult to make the men understand any orders.

Senator GRAY.—Nonsense.

Senator DRAKE.—The honorable senator says "nonsense," but it does not appear to be nonsense to me. In the report of the Committee on the Mercantile Marine, I find this passage—

We think that an increase in the number of British seamen in the Mercantile Marine may be looked for rather in the improvement of their conditions than in the increase of facilities for

training boys for the sea. At the same time, we think that the system of such ships as the *Indefatigable* deserves every commendation and such assistance as can properly be given. We think that the efforts of ship-owners might be profitably devoted, as, to a considerable extent they are at present, to the support and extension of the system of training-ships. It is a difficulty connected with such ships that the boys trained in them do not invariably take to or remain in the merchant service, and we think that a keen interest taken in them by ship-owners would be the most hopeful means of insuring such training as would be practically useful, and also of insuring the employment of boys on leaving the training-ship.

The Committee recommended, amongst other things—

10. The provision of as comfortable living quarters as can practically be given to seamen on board ship.

11. Every encouragement to be given to training-ships and to the training of boys on merchant vessels, with the object of increasing the number of British seamen in the Mercantile Marine.

Senator DOBSON.—Do the Committee state that, in their opinion, the wages are inadequate?

Senator DRAKE.—I do not think that the Committee say anything about the wages.

Senator DOBSON.—They say that improved conditions will secure an increased number.

Senator DRAKE.—The Committee recommend improved conditions, improved first to attract a better class, and secondly to encourage boys to go in for a sea training in order that they may be ready to take the places as they become vacant. From the report of the Committee on the Manning of British Merchant Ships, I wish to quote a few paragraphs on the subject of foreign competition.

In this connexion, it must be remembered that the foreign competition which many owners so greatly fear is a competition to which the British seamen and firemen employed in our ships are already exposed in its acutest form. Since the final repeal of the navigation laws, which required that the master and three-fourths of the crew of every British ship should be British subjects, and reserved the coasting trade entirely to British ships and British seamen, the whole world has been open as a recruiting ground to British ship-owners, who have not been hampered in their selection by any restriction as to colour, language, qualification, age, or strength. Consequently, the British-born seaman has had to face competition with foreigners of all nationalities, not excepting negroes and Lascars—a competition more keen than any trade ashore has had to contend with, and all the more keen because employment on board ships is more accessible to foreigners than is any other description of British industry.

We are informed that, except with regard to certificates, which must be held by masters, officers, and engineers in certain cases, and which, moreover, may be obtained by men of any

nationality, there is at present practically no bar to the employment of any person of any nationality in any capacity whatsoever on board any British ship. Having regard to the lower scale of wages and living amongst the foreigners, with whom our seamen have thus been brought into competition in British ships, it is not surprising that there has been a disposition on the part of British-born seamen to escape from such competition, and find employment ashore.

Senator GUTHRIE.—Who composed the Committee?

Senator DRAKE.—It consisted of Sir E. J. Reed, M.P., chairman; Right Hon. A. B. Forwood, M.P.; Sir Francis H. Evans, M.P.; Mr. J. Havelock Wilson, M.P.; Sir Digby Murray, Mr. Ingram B. Walker, Mr. F. W. Raikes, Q.C., Mr. Chas. Barrie, Mr. G. A. Laws, Mr. T. Scrutton, Mr. W. Davidson, Mr. J. Orr-Sinclair, Mr. J. B. Butcher, and Mr. T. Connarty.

Senator DOBSON.—The Committee could find no direct evidence that the foreigner absolutely displaced the British sailor.

Senator DRAKE.—I thank the honorable and learned senator for that remark, because it is very appropriate.

Senator DOBSON.—I have read the report, and I do not think that the Minister will find that the Committee could obtain any direct evidence on that point.

Senator DRAKE.—The Committee say—

It is true that, from statistics which have been laid before the Committee, it would appear that the percentage of foreigners amongst all hands, excluding Lascars, employed in the home and foreign trades of the United Kingdom was only 15·6, which is less on the whole than the proportion of aliens permitted by the laws of foreign countries to be carried in foreign ships. It is also less, on the whole, than might have been carried under the old navigation laws in British ships in the foreign trade. But it is impossible to correctly estimate the extent of the foreign element amongst British seamen, by a comparison of the totals. It would appear that in 1891 the whole number of seamen employed in the foreign trade of the United Kingdom was 131,375, of whom 22,052 were foreigners, and 21,322 were Lascars, nearly 33 per cent. in all being non-British. The number of A.B.'s in the foreign trade was 40,625, of whom 12,226 were foreigners, and 6,953 were Lascars, or over 47 per cent. non-British, excluding Lascars; the percentage of foreigners among A.B.'s in the foreign trade was 42·7 in sailing vessels, 30·4 in steamers, and 36·3 on the whole number. The number of petty officers was 9,309, of whom 2,154 were foreigners, and 1,377 Lascars, or nearly 38 per cent. non-British. The number of firemen was 24,733, of whom 3,224 were foreigners, and 7,475 Lascars, or over 43 per cent. non-British. The number of ordinary seaman was 3,431, of whom 489 were foreigners (none being Lascars), or over 14 per cent. non-British. The number of boys was 1,207, of whom 104 were foreigners, and 143 were Lascars, or 20 per cent. non-British. The

number of apprentices was 3,619, of whom an unascertained, but very small, number were foreigners. The proportion of foreigners amongst all hands in the foreign trade, excluding Lascars, was 26·8 per cent. in sailing ships, 17 per cent. in steamers, and 20 per cent. on the whole number. The percentage of foreigners in the foreign trade amongst masters was 3·5, mates 4·6, and engineers 2·8.

A return of seamen and firemen engaged at certain ports in the first six months of 1894, showed that the percentage of foreign A.B.'s engaged varied between 33 and 67 per cent. in sailing ships, and 13 and 38 per cent. in steamers.

An inquiry which was made in 1836 (Parliamentary Paper, C. 4709) showed that of 276 vessels distinguished by their preference for foreigners, 23 carried over 80 per cent. of foreigners, 33 between 70 and 80 per cent., 60 between 60 and 70 per cent., 53 between 50 and 60 per cent., 37 between 40 and 50 per cent., 29 between 30 and 40 per cent., 18 between 20 and 30 per cent., and 23 under 20 per cent. Remembering that the percentage of foreigners amongst masters, officers, apprentices, and boys are very low, it may be assumed that a very large proportion of the A.B.'s employed in these 276 selected vessels were foreigners.

The foregoing figures illustrate the extent to which British-born seamen are already brought into competition with foreigners in our own mercantile marine.

It should be remembered that the navigation laws, which limited the proportion of foreign seamen, secured the preponderance of British subjects in the crew of every British ship. Under that law, as it formerly existed in this country, and under the present laws of nearly every foreign country, a vessel carrying, say, 24 hands, should have, at least, eighteen national seamen; but under the existing law of this country, British vessels may be, and often are, manned almost exclusively by foreigners.

However undesirable it may be that British sailors should thus be ousted by foreigners from British ships, and however dangerous this change may prove to the State in time of war, the fact must be recognised that the existing unrestricted admission of foreigners and Lascars may eventually result in further diminishing, outside of the Royal Navy, the number of British seamen. The qualified British seaman, enjoying no preference of employment over even the unqualified foreigner, and receiving no better pay, may abandon a competition in which the conditions are decidedly unfavorable to him.

While, therefore, it is impossible to conceive any state of things more unfavourable to the British sailor than the present, it is equally impossible to conceive any state of things more favourable to the British ship-owner, in so far as concerns a cheap and perfectly open market for the labour which he has to employ. The ship-owner may select his employes from all nationalities at any rates of wages, and may also (as the law now stands) at his discretion or caprice, either require or dispense with proofs of qualification. On the other hand, the British sailor, having, perhaps, qualified himself for the rating of A.B., by four years' service before the mast, may present himself at a shipping office and sign articles—on no better terms as regards food,

berthing, and pay—with Scandinavians, Germans, French, Italians, Greeks, Turks, and Negroes some of whom may possess no proof of qualification, and no adequate knowledge of the English language, but who are protected as regards employment in vessels of their own nationalities, wherever such vessels exist. It is the opinion of the committee that any deterioration of British seamen, which may now exist, is not owing to the decadence of our countrymen, nor to their dislike for the sea, but to the lack of sufficient attraction in the sea service as at present conducted to draw and hold the best class of British workmen, and in a great measure to an insufficient number of boys being trained to supply the necessary waste in the number of A.B.'s.

I think that most honorable senators who have any knowledge of this subject will agree with the last paragraph. The report goes on to say—

We feel constrained, therefore, to emphasize the fact that whatever grounds there may be for fearing foreign competition in the ownership of vessels, as the result of manning legislation, we owe, as we have just seen to the absence of legislation on the subject of manning, a form of competition so aggravated as to threaten to drive the British able seaman and fireman out of our merchant ships. We do not for a moment profess that the existence of this destructive foreign competition against our seamen offers any justification or excuse for furthering foreign competition in the ownership of merchant vessels. But seeing that the majority of our merchant vessels are at present properly manned, and that any increase of crew would only be imposed upon undermanned vessels, we regard the transfer to a foreign flag, because of proper manning being insisted upon, as a thing unlikely to happen in more than a few cases, and one of little consequence by comparison with the disappearance of the British seamen, which is being brought about by the indiscriminate employment of foreigners in British ships.

Senator DOBSON.—Does not that report also show that relatively to population the number of British sailors is as great as, or greater than, the number of sailors in other nations?

Senator DRAKE.—That proves nothing at all. If the number of British sailors is diminishing it appears to me to be not at all to the point to say that the proportion of British sailors relative to the population is greater than the proportion of foreign sailors.

Senator DE LARGIE.—It shows a decreasing percentage all the time.

Senator DRAKE.—Yes; it shows a decreasing percentage. I will quote a couple of paragraphs with regard to rating. They are paragraphs 58 and 59. The report says—

This law (see Merchant Shipping Act 1894, section 126) placed in the owner's hands the power to select experienced seamen, but for some reason

which has not been satisfactorily explained to the committee, some ship-owners have ignored the provision, and have indiscriminately engaged seamen with or without proof of qualification. It is obvious that the law prohibiting seamen without four years' service from claiming the rating of A.B. is valueless, and even unfair to seamen, whilst owners are permitted to employ unqualified men as A.B.'s. If, however, the law were to prescribe the minimum number of persons which a ship should carry, it would be absolutely necessary to go further, and prescribe the qualifications which such persons should possess, otherwise a ship-owner might man his ship with the minimum number allowed by law, without satisfying himself whether the men had any knowledge of the sea.

We are complying with that by insisting upon rating, and also by insisting that a certain number of qualified men shall be employed on each ship, according to tonnage.

Having come to the conclusion that the State should fix such minimum number, we are of opinion that no man should be employed as A.B. who cannot prove his title to that rating. The "Able Seaman" would thus become a convenient unit of effectiveness in the manning scheme which we propose to recommend. It would consequently be requisite to determine precisely what qualifications an A.B. should be required to possess; and, as examination is scarcely practicable, the best alternative would be "service."

We have adopted that principle of service. Now I should like to say one or two words about apprentices. Under the British law, at the present time, the employment of apprentices is not compulsory. It used to be compulsory, but that system was abolished in 1850. I contend, and I have these reports to support me, that the reason why the number of boys coming forward and offering themselves for life at sea is continually diminishing, is that the life of a sailor no longer offers any inducement to boys to go to sea. I have here some Board of Trade figures which show what has been the result in Great Britain, and from these figures honorable senators may get an idea as to what is likely to happen to British shipping unless some steps are taken to induce a better state of things. I quote from the Board of Trade return dated 17th June, 1895. It gives the number of apprentices in the mercantile marine from the year 1845 to 1894. There are blanks in some of the earlier years as to the number of apprentices who were employed at the time; but the report for those years gives the number enrolled. I will give the number enrolled, and the number employed, so far as the report furnishes particulars. In the year 1845 the number of apprentices enrolled was 15,704; in 1850, when the law

was passed abolishing the compulsory employment of apprentices, the number was 5,955; in 1855, 7,461; in 1860, 5,616; in 1865, 5,638; in 1870, 4,241; in 1875, 4,379; in 1880, 3,501; in 1885, 2,504; in 1890, 2,167; in 1894, 2,164. Those figures show how the numbers dropped. Then the return gives the number of apprentices employed from 1870.

Senator MULCAHY.—Would not the increase in the number of steam-ships account for the diminution of apprentices?

Senator DRAKE.—There should be apprentices on steam-ships as well as on sailing vessels. I do not think that accounts for the decrease wholly. The number of apprentices actually employed in 1870, was 18,303; in 1875, 16,004; in 1880, 14,667; in 1885, 10,437; in 1890, 8,650; in 1894, 8,455. That shows the steady decrease in the number of apprentices coming forward, and would indicate that, if something is not done to raise the number, the time will come when there will be still fewer apprentices to take the place of able-bodied seamen.

Senator GUTHRIE.—This Bill gives the ship-owner the right to demand a premium for apprentices.

Senator DRAKE.—It leaves the matter open.

Senator GUTHRIE.—That will not encourage boys to go to sea.

Senator DRAKE.—Sometimes boys go as apprentices with a view of rising to higher positions.

Senator GRAY.—Is not the apprentice system diminishing in all lines of business?

Senator DRAKE.—Not to the extent shown by these figures, certainly. As to the employment of apprentices, the report of the Committee on the Manning of British Ships says—

The boys who are trained in sailing ships are often premium apprentices, who are intended to become officers. It is hardly to be expected that a boy who has ambition only to become an A.B. would pay a premium, or bind himself for a term of years, when at the end of his apprenticeship he would have to compete for employment on equal terms with men of all nationalities, having more or less knowledge of the sea, but not necessarily possessed of indentures of apprenticeship, or of any other proofs of competency; nor would he be likely to serve his time as an apprentice on little or no pay alongside a boy or an ordinary seaman who would be receiving higher pay, and who would probably be rated as able seaman before himself; nor would he be likely to serve four years' apprenticeship with the object of securing £2 15s. per month, whilst the carpenter, who had not served a more arduous apprenticeship, received £5. The truth is, that the absence of any substantial test of

qualification for sailors, and the system of crimping, have led to the deterioration of the calling of British seamen in nearly all its grades, until it has almost fallen to the level of unskilled labour. Seamen of long service and experience have to serve in British merchant ships alongside inexperienced tramps and loafers, or with foreigners of no experience, and scarcely with a word of English at their command.

That is the trouble. There is no doubt that the calling has been so reduced that now it is only about on a level with unskilled labour. Consequently parents having boys for whom they want to provide a means of earning a living are not inclined to send them to sea. There is no inducement. Proper inducement to sailors to go to sea would take the form of good pay and fair treatment, and if sailors had that, a better class of men would be recruited for service on board ship, and boys would be willing to qualify themselves to fill such positions eventually. I have already referred incidentally to the rating of seamen.

Senator Sir JOSIAH SYMON.—Is there any clause in the Bill prohibiting the employment of foreigners at sea?

Senator DRAKE.—No; with regard to the crews of vessels we require that a certain number of A.B.'s shall be employed in every ship, according to tonnage, and that a man cannot be an A.B. until he has served four years as an apprentice or before the mast. We do not prohibit the employment of foreigners, but we hope, by requiring the employment of a certain number who are qualified as A.B.'s, and have passed an examination, and also by improving the conditions of life at sea, to attract more men of a better class to a sea life. We hope that if these improvements are made there will be a greater inducement to boys to serve as apprentices. That is how this measure proposes to deal with the difficulty. Now I come to the subject of the coastal trade. In reference to that we are in a somewhat better position. There is great difficulty, as has been pointed out by the authorities I have quoted, in dealing with foreign competition in shipping. Those difficulties do not apply to the coasting trade, where we are on very strong ground in insisting upon our absolute right to control. In doing that we are only following the example of nearly all other countries, Great Britain being about the only country at the present time that absolutely throws open her coastal trade to the world. From the earliest times the coasting trade has been reserved for the vessels of the country concerned. Going back to the days of Queen Elizabeth, we find that in England at that time, the coasting trade was strictly reserved

to British ships. In the time of Cromwell the British coasting trade was reserved for British ships. In the reign of James II. a duty of 5s. a ton was imposed upon all foreign vessels engaged in the coasting trade. In the reign of George II. the coasting trade was further considered, and a measure was passed requiring the registration of all ships employed. From the time that the coasting trade of Great Britain was thrown open, the United States and nearly all other countries specially reserved their own coastal trade for their own ships. I refer honorable senators to the British Subsidies Report, paragraph 42—

The next contributory cause with foreign subsidies affecting British trade is the reservation by foreign nations of their coasting trade to their own ships.

That is an instance of the unfair competition which British shipping has to meet—that while the British coasting trade is thrown open to all, foreign countries preserve their coasting trade to themselves.

Indeed, in many quarters this is regarded as an indirect subvention or subsidy. Although British coasting trade is absolutely open to vessels of all nations, many nations reserve the trade between their own ports to their own vessels. A list of foreign countries, with particulars whether their coasting trade is reserved or open to British vessels, prepared by the Foreign Office, is printed in Appendix (1902) 3.

The appendix shows which countries reserve their coasting trade.

This class of restriction appears to be on the increase, so that the field for British trading throughout the world is becoming gradually but surely circumscribed.

Senator FRASER.—And yet British trade is increasing every day.

Senator DRAKE.—That is begging the question again. I do not think that the honorable senator can prove that the British trade in British hands is increasing.

The United States extend the doctrine so as to declare a voyage from New York round Cape Horn to San Francisco, or from San Francisco to Honolulu, to be a "coasting voyage," and as such they restrict it to vessels carrying the United States flag. Similarly France refuses to allow any but French vessels to trade between French ports and Algeria; and Russia, in reserving its coasting trade to its own flag, includes in this restriction the navigation between Russian ports in the Baltic and the Black Sea, and between all Russian ports and Vladivostock in the far east of Siberia. Such restrictions have seriously affected British trade. The idea naturally occurs, what would be the effect of reserving to all British ships the Imperial "coasting" trade within the British Empire? Several witnesses spoke in favour of it, one of the most emphatic being resident in Australia.

The appendix of which I have spoken is very voluminous, and I do not suppose that honorable senators desire me to read it.

Senator GRAY.—We should like to have a comparison between the trade done in those countries and British trade.

Senator DRAKE.—I am afraid such a comparison is not given. The appendix, however, shows the conditions under which the trade is reserved—whether it is reserved wholly, or only to certain ports. The countries which reserve their trade are:—Austria-Hungary, Belgium, Bolivia, Brazil, Bulgaria, Chili, China, Colombia, Costa Rica, Denmark, Dominican Republic, Egypt, Ecuador, Finland, France, Germany, Greece, Guatemala, Honduras, Italy, Japan, Mexico, Morocco, Nicaragua, Paraguay, Peru, Portugal, Portugal (colonies), Russia, Spain, Sweden, Norway, Turkey, United States, Uruguay, Venezuela.

Senator PEARCE.—Germany does not wholly reserve her coastal trade to herself.

Senator DRAKE.—The appendix in regard to Germany is as follows:—

Coasting trade reserved, except where granted by Treaty.

Senator PEARCE.—Then the German coasting trade is perfectly open to British vessels?

Senator DRAKE.—Subject to reciprocity.

Senator Sir JOSIAH SYMON.—But the British coasting trade is open to all.

Senator DRAKE.—At the Conference of the Premiers of the self-governing Colonies in 1902, the following resolution was agreed to—

That it is desirable that the attention of the Governments of the Colonies and the United Kingdom should be called to the present state of the Navigation laws in the Empire, and in other countries, and to the advisability of refusing the privileges of coastwise trade, including trade between the mother country and its Colonies and possessions, and between one Colony or possession and another, to countries in which the corresponding trade is confined to ships of their own nationality, and also to the laws affecting shipping, with a view to seeing whether any other steps should be taken to promote Imperial trade in British vessels.

Senator Sir JOSIAH SYMON.—But according to this Bill, the restrictions are applied to British shipping. That is not what the Colonial Conference meant.

Senator DRAKE.—We have a perfect right, just as those other countries have, to protect our coasting trade, and I do not see how we can do that except by insisting on all vessels, which trade on the coast, observing the same conditions as are observed by our own vessels.

Senator Sir JOSIAH SYMON.—Do you think your proposal will carry that object out?

Senator DRAKE.—I do.

Senator CLEMONS.—Subject to railway limitations.

Senator Sir JOSIAH SYMON.—Until the railway to Western Australia is made, and a bridge to Tasmania is erected.

Senator DRAKE.—It has been said that the British trade carried in foreign ships is small as compared with the British trade carried in British ships. The proportion of the trade carried in foreign ships appears to be 9 per cent. or 10 per cent.; at all events, it has been quoted at 9 per cent., and that by some people is regarded as very small. Others, however, take a different view, as is shown by the following extract from the report to which I have already called attention. Sir Robert Giffen replied—

That 9 or 10 per cent. was a considerable advantage, that he did not fear reprisals, and that as foreigners already reserved their coasting trade, they would have no cause for complaint. Sir Robert Giffen's evidence as to the reservation of British Imperial coasting trade to British ships deserves very careful attention. He suggests that (1) either foreign ships, and especially foreign subsidized ships, should be altogether excluded from the coasting trade—in the widest sense—of the British Empire, that is, trade between the United Kingdom and Australia, or between the United Kingdom and India, or between Australia and India, and so on; or (2) that such ships should only be admitted to these trades on condition of their complying with the same rules as to construction, equipment, and inspection as English ships, and paying a fine for the privilege of coasting equal to and exceeding any subsidy (presumably trade-navigation or construction-subsidy) they receive. It should be explained, he says, that this second suggestion would not prevent foreign ships coming to our ports from abroad, or going to foreign ports from our shores, which is all the privilege most foreign countries give to our ships in their waters. It would only prevent foreign ships doing coasting trade or inter-provincial trade within the British Empire itself, or would prevent them doing it except on proper terms. The suggestion would require the assent and co-operation of our self-governing Colonies, which there is reason to suppose will not be wanting, for if foreign ships trading between two British Imperial ports, that is, London to Sydney, are to be required to pay a fine, or take out a licence, as far as possible, equal to the varying subsidies from which they benefit, the licence must clearly be demanded for inspection at both ends to prevent evasion.

It strikes me as being only fair dealing to require foreign vessels who trade on our coast to submit to the same conditions as are observed by our own shipping, and this point is dealt with in Part VII. of the

Bill in clauses 294 to 306. I have here some figures on this point which may be interesting to honorable senators. This return shows the number of coastal passengers carried by oversea companies in 1903, to and from Melbourne, and is as follows:—

NUMBER OF COASTAL PASSENGERS CARRIED BY OVERSEA COMPANIES DURING YEAR 1903 TO AND FROM MELBOURNE.

Name of Company.	N.S.W.	Qd.	S.A.	W.A.	Tas.
Inwards.					
P. & O. S.N. Co.....	854	...	136	538	51
Orient Co.	1,199	...	72	771	85
North German Lloyd	494	...	39	391	...
Messageries-Maritime	230	...	1	56	...
White Star Line	305	...	23	180	...
Japan Steamers	129	20	...	...	...
Outwards.					
P. & O. S.N. Co.....	973	...	61	702	...
Orient Co.	1,584	...	96	1,063	...
North German Lloyd	461	...	28	291	...
Messageries-Maritime	188	...	37	100	...
White Star Line	411	...	3	36	5
Japan Steamers	117	13	...	...	...

Senator MACFARLANE.—Some of the passengers may have been counted twice.

Senator FRASER.—Four or five times.

Senator DRAKE. — Twice only, I should think; but it is on the score of duplication that I doubt all these statistics.

Senator Sir JOSIAH SYMON.—Does the return show that a passenger is from Sydney to Melbourne, or Melbourne to Adelaide, and so forth?

Senator DRAKE.—I only give the figures for what they are worth.

Senator PEARCE.—It would be very valuable if correct.

Senator DRAKE.—It is evidently incomplete. I am aware of the difficulty of getting information on these subjects. I cannot pretend that the return I have quoted is entirely reliable, and I shall seek further information. My object was to show the extent to which these oversea vessels compete with vessels engaged in the local trade. Another matter which it will be interesting for the Senate to discuss is the rate of wages. The view we take is that it is not fair that these oversea ships, paying much lower rates of wages, should be allowed to come in and compete with local ships paying higher rates of wages. If a proper rate of wages is to be maintained, it can only be by insisting that all vessels doing trade of the same character shall pay the same rates of wages. I quote a statement with respect to rates of wages from *Coghlan*. I give the wages

paid per calendar month in 1903, stating, first, the wages paid to white crews in British sea-going steamers trading to the Commonwealth, and, next, the wages paid to white crews engaged in steamers in the coasting trade.

In calculating the average wages paid to seamen, regard must be had to the fact that shipping companies, in some instances, take into consideration personal qualifications and length of service of employés, when fixing rates. The following table shows the average wages, per calendar month, in 1903, paid to white crews of British ocean-going steamers trading with the Commonwealth, and also the rates for white crews of steamers engaged in the Inter-State trade. The rates were obtained from the ships' articles deposited with the State shipping officers:—

Capacity.	Average Monthly Wages. White Crews.	
	Ocean-going Steamers.	Inter-State Steamers.
	£ s.	£ s.
Navigation—		
1st Mate ..	15 0	15 0
2nd „ ..	10 0	12 0
3rd „ ..	8 0	10 0
Boatswain ..	6 10	7 10
Carpenter ..	7 10	8 10
A.B. seaman ..	4 0	6 10
Ordinary seaman ..	2 5	3 0
Winchman ..	7 0	9 10
Engineer's Department—		
1st Engineer ..	25 0	£22 to £25
2nd „ ..	15 0	£17 to £18
3rd „ ..	12 10	£14 to £15
4th „ ..	10 0	12 0
5th „ ..	8 0	10 0
6th „ ..	8 0	10 0
Fireman ..	4 0	8 10
Greaser ..	4 10	8 10
Trimmer ..	3 10	6 10
Cooking and Providoring—		
Purser ..	£10 to £25	10 0
Chief Cook ..	11 0	12 0
2nd „ ..	6 0	7 0
Baker ..	6 0	8 0
Butcher ..	6 0	5 0
Pantryman ..	4 0	5 10
Attendance—		
Head Steward ..	10 0	12 0
2nd „ ..	7 0	7 0
Stewardess ..	2 10	2 10
General Servant ..	3 0	4 0

The most important point in this connexion is, I believe, the difference in the wages paid to the A.B. on the ocean-going steamers, as compared with the wages paid to the A.B. on the Inter-State boats, namely, £4 on the ocean-going steamers, and £6 10s. on the Inter-State steamers. It will be seen that such a difference may run into a large amount of money.

Senator PEARCE.—Can the honorable and learned senator quote the fares charged?

Senator DRAKE.—I have no statement of the fares charged, they are fixed by the shipping companies. The proposal of the Bill is that where these ocean-going ships compete for coasting trade by taking passengers or cargo from one port to another, they shall comply with the same conditions as are enforced against our own ships. That does not seem to me to be an unreasonable thing. There is one exception to which I have referred with regard to Western Australia. It must be remembered that the distance from Fremantle to Adelaide is 1,370 miles. No doubt the United States is at the present time very well furnished with railroads, and the people of that country are able in their navigation laws to provide that a voyage from any port of the United States to any other port, or to any of the Colonies of the United States, shall be held to be a coasting voyage. Probably, under similar conditions, we should be able to do the same. If every part of Australia were internally connected by railroads, we might be able to say that any trip from any one part of Australia to another should be considered a coasting trip. We have to face the difficulty that owing to the absence of railway communication with the eastern States, Western Australia is at the present time as much isolated from those States as though it were a separate island or a separate country, and we are therefore justified in making an exception in the case of boats trading with Western Australia.

Senator Sir JOSIAH SYMON.—What about the lower rate of wages we shall be making the men take.

Senator DRAKE.—We shall not be making the men take any lower rate of wages, but if I may use the expression we shall suspend the operation of the provision, which requires all ships to comply with our conditions, in the case of ships trading with Western Australia, on account of the great distance from the other States of the Commonwealth to Western Australia, and the absence of railway communication.

Senator DOBSON.—Then the English sailor may be injured for the benefit of the Western Australian people?

Senator DRAKE.—I should point out that the side note to clause 297 is misleading, and requires to be altered. That clause deals with the trade to the Northern Territory. The exception is made to apply in that case only where there is no other

ship trading. If none of our local steamers trade to the Northern Territory, any of the ocean-going steamers doing that business will be exempted from these special provisions.

Senator PEARCE.—At the discretion of the Minister, for five years.

Senator DRAKE.—We cannot be logically correct in all these matters.

Senator MACFARLANE.—Why is not clause 296 applied to Tasmania?

Senator DRAKE.—It is not necessary in the case of Tasmania.

Senator MACFARLANE.—Why is it necessary in the case of Western Australia?

Senator DRAKE.—As I have already explained, it is necessary in the case of Western Australia, because of the enormous distance of that State from the Eastern States, and because there is no other means of communication.

Senator Sir JOSIAH SYMON.—There are several splendid lines of steamers.

Senator DRAKE.—Tasmania enjoys very fair means of communication by means of its own local ships, whilst Western Australia, on the other hand, is dependent to a great extent upon the ocean-going steamers.

Senator GIVENS.—What about North Queensland; is not that territory also isolated by the absence of railway communication?

Senator DRAKE.—No; they have a splendid local service.

Senator GIVENS.—There is a better service to Western Australia.

Senator DRAKE.—Up to Rockhampton there is railway communication, but from that port to the north of Queensland I think there is a very good local service.

Senator GIVENS.—It is not so good as the service to Western Australia.

Senator DRAKE.—At all events, the figures which I quoted just now, show that very few passengers are carried in oversea ships from Queensland ports, and when the honorable senator says that there is a better service between Western Australia and the eastern ports, I think he must be taking into account the oversea steamers that we speak about.

Senator GIVENS.—No.

Senator DRAKE.—I must differ, then, from my honorable friend. I do not think there is a better service to Western Australia than there is on the Queensland coast.

Senator BEST.—Would the increased wages only start when the ship commenced to trade?

Senator DRAKE.—Yes, and would only apply during the voyage, when she was taking part in the coasting trade.

Senator BEST.—So that if the ship went right up to Sydney without trading, and started to trade back, she would have to pay the Australian rate?

Senator DRAKE.—I take it that she would.

Senator DOBSON.—Suppose that a steamer is here for 28 days, that she spends seven days in bringing passengers from Adelaide to Sydney, and seven days in going back from Sydney to Adelaide, and that she is engaged for fourteen days in discharging and taking in European cargo, will she have to pay Australian wages all the time?

Senator DRAKE.—I do not know whether my honorable and learned friend is trying to puzzle me, but I should say that if a ship is engaged in the coasting trade, she will have to pay the Australian rate all the time. Local ships have to spend time in port as well as others.

Senator GRAY.—Suppose that a ship takes cargo as ballast, will she be held to be engaged in the coasting trade?

Senator DRAKE.—I should think that she is not engaged in the coasting trade if she is in ballast only.

Senator GRAY.—She might take cargo, say stone, as ballast from Sydney to Newcastle.

Senator DRAKE.—If she takes cargo, certainly she is engaging in the coasting trade.

Senator Sir JOSIAH SYMON.—Suppose that she takes cargo as ballast?

Senator DRAKE.—If she is carrying cargo she is engaged in the coasting trade; but if Senator Gray means to ask me—Can a ship come from England with a full cargo, discharge part in one port, go to another port, and there ship a cargo for Great Britain?—my reply is that she would not then be engaged in the coasting trade. She must not take cargo or passengers from one port to another.

Senator GRAY.—She could not load stone for ballast to take her to Newcastle?

Senator DRAKE.—The honorable senator is speaking of something else when he speaks of ballast.

Senator GRAY.—I am speaking of cargo which is ballast.

Senator DRAKE.—I only know cargo as cargo. I do not know that I am able on the spur of the moment to answer all

these questions. In its main lines the Bill is perfectly clear, very fair and equitable. If we are to maintain any conditions in our coasting trade it can only be done by insisting that all ships which come in and participate in the profits of that trade shall comply with our law. Perhaps I owe an apology to the Senate for the imperfection of my attempt to explain the principles of the Bill. It deals with a subject of very great magnitude. I have done my best to make clear to honorable senators what is the law on the subject, the difficulties in the way, and how they are proposed to be met by the Bill. I hope that all honorable senators will assist us to make the Bill as perfect as possible.

Senator Sir JOSIAH SYMON (South Australia).—The subject with which this Bill deals is an extremely important one. The speech of the Attorney-General has been worthy of it. I think I am expressing, not merely my own opinion, but that of nearly every one who has been present, that the honorable and learned senator has devoted very great attention to the subject, and expended upon it a degree of research which has enabled him to bring under our notice a great deal of information. The Bill is a remarkable one. It is remarkable for its great length. If it were as good as it is long, then its length would certainly be no defect, and there would be no particular harm in it. We cannot have too much of a good thing, and we cannot perhaps have a good thing too long. Personally, I prefer a comprehensive measure. I like the law on any subject, as far as possible, to be embodied within the four corners of one Act of Parliament, rather than that it should be spread over perhaps a score of Acts of Parliament—principal Acts, substantive Acts amending, and very often explanatory Acts to declare the meaning of the Legislature as attempted to be expressed in the principal Act. There is good example for its length found in the Merchant Shipping Act of 1894, which contains between 700 and 800 provisions—nearly twice as many as in this Bill—but which, I am glad to say, does not in all its length contain the blemishes I find in this measure. I do not intend to follow my honorable and learned friend through all the details of the clauses to which he has referred. In all probability that will be better done in Committee. I believe we shall find that the information from the practical side which Senator Guthrie, judg-

ing by his various interjections, will be able to give, will be of value, and assist the Committee in dealing with a number of the clauses. Nor do I intend to follow my honorable and learned friend through his eulogy on the dark ages. I do not know that the investigation of that subject, or of the agreements entered into by the Hanseatic League, in the year of grace 1200, will assist very much to determine the very important matters which are before us in this Bill. Nor do I intend to follow him through the figures and information with which he has supplied us in regard to foreign subsidized ships, because even if it were possible for us—which it is not—there is nothing in the Bill that interferes in the slightest degree with the oversea trade—which is the most important trade in which these ships compete with British ships. It is not within the ambit of our legislative power to deal with that great subject, and whilst we may be very desirous of setting ourselves up as an example, and holding ourselves as a kind of moral lesson to the mother country, it is the mother country that must legislate, if she intends to prohibit within the Empire competition by subsidized foreign ships to the detriment of British ships throughout the Empire. Therefore, I hope my honorable and learned friend will not think I am overlooking a very interesting portion of his remarks on that subject if I pass that by as a matter with which we have no concern on the present occasion. Nor do I intend to be led into the question of free-trade or protection; but I shall have an observation to make as to what is proposed in the coasting trade provisions of the Bill, out-Heroding Herod in the matter of protection, when I come to that particular provision. Nor do I intend to follow my honorable and learned friend through that very interesting portion of his address dealing with the manning of British ships. The proportion of foreign seamen employed in English ships—or rather of European seamen, because the question of coloured crews is another and very debatable point—is a matter with which we have nothing to do. As my honorable and learned friend admitted in answer to an interjection from me, it is not proposed in this Bill to prohibit, even upon ships owned and registered in Australia, the employment of foreign seamen. Whilst, therefore, we may be thankful for the figures which my honorable and learned friend gave, and which by their

comparative—I will not say insignificance, but by their comparative smallness, surprised me a little, I may be forgiven if on that subject I do not attempt at this moment to address the Senate. That will, I hope, abbreviate the remarks which, with the forbearance of the Senate, I shall offer on this subject. The figures were, for 1901, 247,973 seamen on British ships, of whom 37,630 were foreigners. Whilst I, in common with, I think, every member of the Senate desire that every British ship shall be manned by seamen of British birth and British blood, we are not called upon to deal with that subject now, or to legislate with a view to putting an end to what may be, from a sentimental, if not from any other, aspect, an undesirable condition of affairs. I have never heard it suggested—always leaving the British seamen at the top of the scale—that a German or a Frenchman, or a Scandinavian, or for the matter of that, judging by recent events, a Japanese, was not a competent seaman—subject always, of course, to his ability to understand the orders given to him and his sufficient knowledge of the English language to enable him to do his duty. But, as I say, we are not called upon now to deal with that. The figures which the Attorney-General gave us were not figures in connexion with the Australian trade at all, but were figures concerning British shipping, as understood in its strict sense—that is, shipping which, in spite of all the disadvantages which have been pointed out, in spite of the repeal of the Navigation Laws, in spite of the fact that the Hanseatic League expressed those noble sentiments from which an extract was read, and in spite of the fact that in the time of Oliver Cromwell there were laws affecting navigation of a particular kind—in spite of all that, British shipping at the present moment is nearly half the shipping of the whole world. That is a striking and unanswerable argument, I will not say against the consideration of this subject, but against our being troubled with a discussion as to what is best for the shipping of the British Empire. The attitude which the Government take up, as expressed by my honorable and learned friend, and as shown by this Bill, is that they do not propose to alter that condition of things one iota, but to continue the undesirable state of affairs, if it is undesirable, by permitting the engagement on Australian owned and registered ships, just as upon British ships, of foreigners as able seamen.

Senator Sir Josiah Symon.

And as my honorable friend Senator Guthrie interjected at an earlier stage of the Attorney-General's speech, the qualification for an able seaman is not examination, as the Attorney-General inadvertently said it was. There is to be no examination of able seamen at all. The qualification is that he shall simply have passed four years before the mast—it may be upon a ship owned by any other country under the sun. Therefore I pass by all these considerations. I admit, as we all admit at this time of day, that when we are considering the condition of the workers, whether as seamen or as engaged in any other kind of labour or employment, we ought to legislate on lines that are just and humane. I agree entirely with my honorable and learned friend in that respect. The time has long passed when legislators were animated by any other principle. The time has passed when any body of men were animated by a desire to cut down the conditions or rewards of the men employed in any particular walk of life. The principle that now actuates our Legislatures is that of the New Testament—"Do unto others as you would that they should do unto you." So far as my experience of legislation goes, there are few indeed, if any, in Australia who are not animated by that desire, and who are not guided by principles which are humane with regard to legislation affecting any class of the industrial community. My honorable and learned friend started with that excellent principle. But it is a truism—I do not use that expression in a disparaging way—at this time of day. I have a few criticisms to offer on the Bill itself. It is a Bill in regard to navigation and shipping. It is a measure, like many other measures we have had to deal with, which, in so far as it deals with the marine laws of Australia, is contemplated by the Constitution. Therefore, to that extent it is no party measure. The Constitution contemplates that we shall make laws with regard to trade and commerce just as it contemplates that we shall, at some time or other, make laws with regard to conciliation and arbitration within the limits prescribed by the Constitution. I say this because I am not binding any one but myself by the views I express or the criticisms I offer. We must at some time or other deal with laws affecting trade and commerce, and the only question is the way in which that provision of the Constitution shall be carried out, the extent to which our legislation shall

go, and the departures which we are to make from the existing law, or from what has hitherto been believed to be best in this particular regard. This Bill is manifestly intended to supersede every State Act. Of course, it must necessarily have that effect, because this particular branch of legislation is taken over by the Commonwealth.

Senator GUTHRIE.—Only part of it.

Senator Sir JOSIAH SYMON.—Trade and commerce are taken over.

Senator GUTHRIE.—Harbors are not.

Senator Sir JOSIAH SYMON.—Of course the jurisdiction over harbors is not taken over by the Commonwealth. Therefore the jurisdiction of the local Marine Boards remains as before. But I am not dealing with harbors, which are local. I am dealing with trade and commerce as understood in its largest sense. Those are matters for Commonwealth legislation; and every marine board and State Navigation Act to the extent to which they affect trade and commerce will be superseded by this Bill. The measure proposes to re-enact in our legislation a great many of the provisions of the Merchant Shipping Act of 1894. In many instances it appears to me to do so unnecessarily and in such a way as to create possibilities of conflict and difficulty, which it would be well for us very gravely to consider. There are possibilities of conflict between this measure as it now stands and Imperial legislation. For instance, in sections 261 and 264 of the Merchant Shipping Act there are provisions which make the law upon many of these subjects applicable as well to our own shipping as part of British shipping as to the shipping which is registered in the old country. I mention these considerations, not with a view of going into a critical analysis of the provisions of this Bill and comparing them with the Merchant Shipping Act of 1894, but as being some among many reasons why the greatest care should be taken in dealing with it. That should be pre-eminently so in dealing with such a Bill as this, because, as honorable senators are aware, the fundamental principle of English law in relation to shipping is that every British ship is in theory part of the soil of England. We are very apt in legislating to forget that, and also to forget that, speaking generally, it is the Merchant Shipping Act that governs all British shipping throughout the Empire, except so far as the power of legislation is delegated. Honorable senators will see, therefore, the great

importance of a most careful comparison of the provisions that are re-enacted from the Merchant Shipping Act, or that are proposed to be so re-enacted, by this Bill, but also a careful consideration of any new provisions or changes that are made or purported to be made in the provisions of the Imperial Merchant Shipping Act, and which are introduced into this Bill. Fortunately we have in the margins to the Bill references to the corresponding sections of the Imperial Act; but unfortunately it will be found—I will point to one or two instances, so that honorable senators may appreciate the warning; I am putting it really as a warning—that there are departures from the language of the Imperial enactment, and sections are introduced which do not correspond with the similar sections of the Merchant Shipping Act.

Senator GUTHRIE.—A number of them.

Senator Sir JOSIAH SYMON.—There are a number of them, as my honorable friend says. I am afraid that that kind of thing is eminently misleading. It is a pity that where departures are made in framing a Bill on other legislation, there should not be notes in the margin showing how far the clauses are modified as compared with the original provisions.

Senator DRAKE.—It would be almost impossible to do that in side-notes.

Senator Sir JOSIAH SYMON.—I do not think that it would be impossible; at any rate, an effort might have been made to do it. With very few exceptions, none of us are experts. I know that Senator Guthrie has made himself an expert on the subject; but I do not profess to have done so, and to me the Bill, as presented, is, in this connexion, misleading. I have devoted some time to making a comparison between the sections of the Merchant Shipping Act and the clauses of the Bill; but I have not been able to complete the work, and it will be difficult for us to know, unless we are most careful, in what respect we are deviating from the Imperial Act. This Bill is dominated—and must be dominated, in spite of whatever may be said—by the Merchant Shipping Act in so far as the clauses which deal with British ships are concerned.

Senator BEST.—Within our jurisdiction?

Senator Sir JOSIAH SYMON.—The Merchant Shipping Act is the great shipping code of the Empire in regard to those matters for which it expressly provides.

Senator GUTHRIE.—We are given power to regulate our own coasting shipping.

Senator Sir JOSIAH SYMON.—I am not speaking of that matter.

Senator BEST.—And the covering provisions help us a little.

Senator Sir JOSIAH SYMON.—Whatever in this Bill conflicts with the provisions of the Imperial Act to the extent I have indicated will, in my opinion, be inoperative. Our whole system for the regulation of shipping does not depend on local, but on Imperial laws.

Senator DRAKE.—That has been recognised.

Senator Sir JOSIAH SYMON.—It is only recognised by what is omitted from this measure. Many people are under the impression that our system of registration is under the control of local law.

Senator BEST.—The honorable and learned senator is not overlooking the fifth covering section.

Senator Sir JOSIAH SYMON.—I am not. Our Admiralty jurisdiction is all derived from Imperial legislation, and discipline on board British ships is under the Imperial Act. Senator Drake will understand that I am not saying that it is undesirable to have before us upon our own statute-book the very provisions of the Imperial Act, but we must be careful to see that we do nothing to destroy the constitutional force of the Bill, and thus render it *ultra vires* in respect to the importation of provisions regarding discipline and wages and so forth, professing to be but not actually being transferred bodily from the Imperial Act. Whether the provisions are transferred bodily will require an examination to determine. All the provisions regarding health, the wills of deceased seamen, and so forth, are presumably in the identical terms of those in the Merchant Shipping Act, the latter being applicable to British ships registered in England or in Australia. Senator Drake referred to clause 38, in which it is provided—

All ships registered in Australia shall, and all other ships, when carrying passengers or cargo, shipped or taken on board in any port in Australia to be carried to and landed or delivered at any other port therein or to New Zealand shall carry as crew the number and description of persons specified in the scale set out in Schedule 2, or as prescribed.

Not content with attempting to legislate for ships carrying goods to any port in Australia, the Government, in this Bill, seek to legislate for vessels proceeding to any port in New Zealand. We have no more right to legislate thus in regard to any port in New Zealand than we have to legislate in regard

to any port in Europe. New Zealand is not amenable to the Commonwealth, and it would be equally justifiable to legislate similarly with regard to a P. and O. steamer carrying passengers or cargo from Australia to London. I ask Senator Drake to give this clause his careful consideration, because it is absolutely in conflict with Imperial law. We are asked to impose on British ships, like those of the P. and O. Co. and the Orient Co., obligations and duties altogether at variance with what they are required to do under the Imperial Act in their port of registration and departure.

Senator TURLEY.—This only applies to Australian registered ships.

Senator Sir JOSIAH SYMON.—The clause applies to all ships. If this Bill becomes law it will be many a day before we may expect to have Australian registered ships doing oversea trade. My object is to impress on honorable senators the necessity for the very greatest care.

Senator GUTHRIE.—Under the English law there is provision for the extension of the jurisdiction between the Elbe and Brest.

Senator Sir JOSIAH SYMON.—That provision is for a particular purpose; but that is not the matter with which I am now dealing.

Senator GUTHRIE.—Why cannot we extend our jurisdiction to our coastal trade at New Zealand?

Senator Sir JOSIAH SYMON.—What right have we to do that? What would the Right Honorable Richard Seddon say if the Commonwealth were to legislate for the coast of New Zealand? Why, we should have him sending his navy over here!

Senator GUTHRIE.—Perhaps he would ask for reciprocity.

Senator Sir JOSIAH SYMON.—I think that Senator Guthrie, in whose judgment I have every confidence, will on consideration favour the striking out of the words "to New Zealand," if, indeed, he does not ask that the clause shall be altogether recast, in order to bring it into conformity with the Imperial Act, and to prevent its application to British ships carrying the complement of officers and crews required by that Act. I should like now to draw attention to clause 177, which deals with the apprehension of deserting seamen belonging to foreign ships. I think Senator Drake will find that this provision is different from the corresponding section in the Merchant Shipping Act, and he would do well to consider

whether those differences are such as we are justified in introducing, not in relation to our own coastal trade, but in relation to foreign seamen on foreign ships, which happen to come to our shores. I also call attention to clause 185, which is a general provision in regard to British and foreign shipping. This part of the Bill, which is very important, is made to apply to all British ships registered in any parts of the King's dominions, quite irrespective of whether they are engaged in the coasting trade. Honorable senators will see the absolute necessity of observing very carefully any departure from the Imperial Act, so far as British ships are concerned, when dealing with Division 16, Part IV. of the Bill. And not content with dealing with British ships there is a sub-clause b, which provides that this part of the Bill shall apply to all foreign ships.

Senator DRAKE.—Does the honorable and learned senator say that that cannot be done?

Senator Sir JOSIAH SYMON.—I say you cannot do it; and, what is more to the purpose, the Imperial Parliament has not attempted to do it. The part of this Bill dealing with foreign ships is not to be found in the Imperial Merchant Shipping Act. The section is 267, and, so far as I am aware, it has never been attempted to apply it to foreign ships. Of course, the difficulty would be very serious, because honorable senators will find that these provisions cover surveys, re-surveys, all questions of seaworthiness, and unsafe ships, life-saving appliances, light signals and sailing rules, and deck and load lines. My honorable and learned friend has just read from a most interesting report that it is held in England that these cannot be applied to foreign ships.

Senator PLAYFORD.—It has not been done so far, but surely they can be applied if it is thought desirable, and they come into our ports?

Senator Sir JOSIAH SYMON.—We cannot do anything of the kind. Senator Playford could not have been listening to Senator Drake when he was reading that report. You can prevent a ship going to sea in an unseaworthy condition if she is in your own waters, but you cannot make hard and fast lines legislating for foreign ships.

Senator PEARCE.—Can we not prevent overloading; can we not prevent a ship going to sea that is loaded over the line?

Senator Sir JOSIAH SYMON.—We can prevent that by our right to prevent an unseaworthy ship going to sea, but we cannot legislate for foreign ships with respect to these matters, which affect our own shipping and our own subjects, and the land of which the British ship is supposed to form a part.

Senator PEARCE.—We can prevent an unseaworthy ship going to sea, and a survey may be necessary to prove that she is unseaworthy.

Senator Sir JOSIAH SYMON.—It may or may not be necessary; but here it is proposed to go a great deal further. This part of the Bill contains something like sixteen different divisions.

Senator DRAKE.—Senator Pearce has taken up the honorable and learned senator on his own instance. The honorable and learned senator referred to an unseaworthy ship, and a load line, and when Senator Pearce replies to his particular instance, he says that we must look at something else.

Senator Sir JOSIAH SYMON.—I say nothing of the kind. I say that what we are proposing here to legislate for is the imposition of a load line, and we can do nothing of the kind as the report to which my honorable and learned friend has referred has shown.

Senator DRAKE.—It did not show that.

Senator Sir JOSIAH SYMON.—It states in effect that they could not impose a load line, and the only remedy they had was to prevent an unseaworthy ship going to sea. They had to be guided by observation merely, to tell whether she was overloaded or not.

Senator PLAYFORD.—That is qualified by the words "as the law stands now."

Senator Sir JOSIAH SYMON.—As the law stands at all times, because it is a question of legislation. My honorable friend must know perfectly well that we cannot legislate for foreign shipping. Just as we can proceed against a man who is an officer on board of a foreign ship if he commits an assault, and can prosecute him in the Courts of the country within whose territorial waters he may be, so we can prevent a ship, no matter to what country it belongs, going to sea if it is in an unsafe condition. But honorable senators will find that what is proposed to be done here is to impose practically our municipal laws upon foreign ships to an extent which at any rate my honorable friends will admit has never yet been attempted

by Imperial legislation, although the same difficulties and the same occasion for action have existed in Great Britain.

Senator BEST.—Perhaps the honorable and learned senator will permit me, in support of the view he urges, to draw his attention to section 5 of the Constitution, the covering section, which says—
and the laws of the Commonwealth shall be enforced on all British ships, the Queen's ships of war excepted, whose first port of clearance and whose port of destination are in the Commonwealth.

Senator Sir JOSIAH SYMON.—I am very much obliged to Senator Best for having again called my attention to that. It enables me to point out that we are not merely limited to British ships, but, as my honorable and learned friend has shown, that we are practically limited to ships engaged in the Australian trade. My honorable friend, Senator Walker, and the President, were members of the Convention, and they will recollect that, as the Constitution was laid before the Convention, it contained that provision in somewhat different words.

Senator DRAKE.—Does the honorable and learned senator say that this covering section was before the Convention?

Senator Sir JOSIAH SYMON.—Yes, the whole of these covering sections were before the Convention. Section 5 now refers to British ships—

whose first port of clearance and whose port of destination are in the Commonwealth.

But as it originally stood the section read—
whose port of clearance or port of destination are in the Commonwealth.

It will be found, on looking at the proceedings of the Convention, that it was the subject of debate as to whether this was not altogether beyond our power, and whether it could possibly have been contemplated. It was then with unanimous consent agreed that the word "or" had got in by mistake, and that the section must be limited to our local shipping. There are two things which follow from the covering section of the Constitution to which the attention of honorable senators may well be directed. One is that our Commonwealth laws only prevail upon British ships, and the other is that they prevail only upon British ships whose trade is between one part of the Commonwealth and another.

Senator PLAYFORD.—Then we could not stop a foreign ship trading between one port of the Commonwealth and another?

Senator Sir JOSIAH SYMON.—Of course we could.

Senator DRAKE.—And we could not make them pay duty upon their stores?

Senator Sir JOSIAH SYMON.—Senator Playford proclaims himself a patriotic and loyal citizen of the empire, who desires to knit still more strongly the ties existing between this and the mother land, and yet he is going to apply these restrictive provisions to British ships. That is all I propose to say with regard to these provisions, and I say it merely with a view of emphasizing the necessity for the very utmost care in dealing with these clauses, and of pointing out a course which I think would have been more advisable. Some greater consideration should have been given to the introduction of some of those provisions, and to their enlargement, than appears to have been given. Two other provisions to which I shall call attention are, I think, very distinct blemishes on the Bill. I object very strongly to the power given under this Bill to the Minister, whoever he may be. It introduces an element which is altogether foreign to the scope and object of the Bill, and it will be found to be most mischievous. I am speaking now in the interests of seamen, whether officers or men, and the mischief is exemplified by clause 93 to which the Attorney-General refers. The clause provides—

1. Whenever a question arises as to forfeiture of wages of a seaman or apprentice for desertion, it shall be sufficient evidence of desertion to show—

2. The desertion shall thereupon be deemed to be proved, unless the seaman or apprentice can show to the satisfaction of the Minister or the Court that he had sufficient reasons for leaving his ship.

That professes to be a copy of section 231 of the Merchant Shipping Act, but it is not.

Senator DRAKE.—I specially pointed that out.

Senator Sir JOSIAH SYMON.—The words "of the Minister" are newly introduced. I say, without fear of contradiction, that it would be a monstrous thing to substitute the Minister for the Court for the investigation of a question upon evidence as to whether or not there should be a forfeiture of wages. It would destroy the benefit of this Bill, and it would substitute a man who had not heard the evidence, who had not seen the witnesses, and who had no opportunity of determining whether justice was on one side or the other, for the Court which heard both sides, and was sworn to deal judicially between the two, whilst it would place in his hand the power of perhaps doing injustice

on the one hand to a seaman or on the other to a master or owner. If honorable senators will refer to page 626 of the official *Hansard* of the Adelaide session of the Convention, they will find that the original clause read as follows:—

The laws and treaties of the Commonwealth shall be in force on board of all British ships whose last port of clearance or whose port of destination is in the Commonwealth.

That provision would have had the effect of putting the laws of the Commonwealth in force on all British ships registered in England that visited Australia, and left an Australian port on a return voyage to England which, on the face of it, would have been absurd. Sir George Turner read the words, and appealing to the leader of the Convention, said—

Does he expect that the Imperial Government will pass that?

After a very short discussion—it was felt by everybody that a mistake had been made—the word “and” was substituted for the word “or,” and the original draft of the Bill, amended in committee, shows the alteration.

Senator GUTHRIE.—That restricted the powers which we had under the Federal Council of Australasia Act.

Senator Sir JOSIAH SYMON.—There was a general consensus of opinion that that Act had given more power than could possibly be conferred upon the Federal Council.

Senator GUTHRIE.—The Queen's assent was given to that Act.

Senator Sir JOSIAH SYMON.—The word “or” was inserted by inadvertence. In the Adelaide Convention attention was called to the error, and it was rectified, so that the Commonwealth laws, specifically in relation to shipping, are only in force on British ships whose trade is between port and port in the Commonwealth. I ask the Attorney-General whether he thinks that the provision inserted in clause 248, with regard to boat drill, could possibly be made applicable to a foreign ship?

Senator DRAKE.—We have taken that from the New Zealand Act.

Senator Sir JOSIAH SYMON.—I do not know where it is taken from.

Senator DRAKE.—I do not say that it is right on that account.

Senator Sir JOSIAH SYMON.—All I am pointing out is that legislation of this kind is not to be dealt with in that slapdash fashion, and that some consideration

should be shown to the constitutional position we are in. Do not let it be said that we suffer, even in relation to shipping, from what, to use a common expression, I may call “swelled head,” and think that because we are the Commonwealth of Australia, we are not under the British Crown, and the British flag, and that we can legislate as though we were the United States in relation to which, of course, Great Britain is a foreign country. We are not in that position at all, and it is misapprehension on that point that has misled many persons in relation to all these shipping questions; they seem to forget when they look for parallels in other countries, that they are foreign countries.

Senator GUTHRIE.—To New Zealand.

Senator BEST.—Does the section as to boat-drill apply to foreign ships in New Zealand?

Senator Sir JOSIAH SYMON.—I do not know. I am directing attention to these matters, not with a view to invite the Senate to express a definite opinion on them one way or the other now—happily we are not the tribunal to settle constitutional questions or questions of *ultra vires*—but, by way of precaution, and in order that the representatives of the Ministry here may give them a little more consideration than they perhaps have been able to do before they invite the Senate in Committee to occupy a great deal of time in dealing with the provisions of the measure in detail. I also wish to invite their attention to the clause relating specifically to load-lines and to ask my honorable and learned friend whether he will take the trouble to compare that provision with section 444 of the Merchant Shipping Act, from which I should humbly infer that we have no power to legislate as to load-lines on British ships, that we have no power to legislate in respect to load-lines except on Australian registered vessels. The Merchant Shipping Act is the law of Australia, as well as the law of England, in relation to the subject matters covered by its provisions, and section 444 expressly says—

Where the Legislature of any British possession—

The Commonwealth is a British possession within the meaning of this Act.

—by any enactment provides for the fixing, marking, and certifying of load lines on ships registered in that possession.

That is the only power we have, and it can only be exercised subject to the confirmation of the Imperial authorities, —and it appears to Her Majesty the Queen that that enactment is based on the same principles as the provisions of this part of this Act relating to load-lines, and is equally effective for ascertaining and determining the maximum load-lines to which those ships can be safely loaded in salt water, and for giving notice of the load-line to persons interested, Her Majesty in Council may declare that any load-line fixed and marked, and any certificate giving in pursuance of that enactment shall with respect to ships so registered have the same effect as if it had been fixed, marked, or given in pursuance of this part of this Act.

What does that mean? It means that we have no power except a delegated power to legislate for load-lines on our own vessels registered in Australia, and that if we do seek to register so as to prescribe a load-line on our own Australian registered vessels His Majesty in Council, if he so chooses, declares that enactment operative if he is satisfied it is efficient.

Senator GIVENS.—Then we are not a self-governing community at all?

Senator Sir JOSIAH SYMON.—Of course we are. My honorable friend, I am sure, knows that the underlying principle of that one department of legislation is that it is the Imperial Parliament whose legislation is to dominate British shipping throughout the British dominions. That is ingrafted on our self-governing powers, and that is shown by the instance I have referred to as to our Admiralty jurisdiction. In Australia there is not an Admiralty Court which depends on Australian law; its procedure may be affected by Australian law, but it derives its power and its status from Imperial enactment. We must remember that we are not legislating as a sovereign power in relation to this matter as the United States might do, but we are legislating as a British dependency.

Senator MCGREGOR.—Is not the Constitution an Imperial Act?

Senator Sir JOSIAH SYMON.—That does not alter the position.

Senator GUTHRIE.—It gives the power to deal with navigation.

Senator Sir JOSIAH SYMON.—It gives the power to deal with trade and commerce, and in the covering sections it gives the power to deal with trade and commerce so far as ships trading between the ports in Australia are concerned, but all that is subject, so it seems to me, to the Merchant Shipping Act. The Imperial Parliament has declared what the load-line shall be on all

British ships, and we cannot alter that load-line by making it a foot higher or a foot lower without the approval of His Majesty in Council. My honorable friend referred to clause 133, which enacts that the owner of any British ship is not to allow his vessel to go to sea from a port in Australia to any port outside its limits unless she has a plentiful supply of clothes, woollen blankets, and tobacco—what is known as a slop-chest. Why should it not be made applicable to foreign ships if they are under our jurisdiction? Is it not much more necessary that it should apply to foreign ships? In fact, as my honorable friend said, it is the foreign ships which require the greatest care and the greatest scrutiny in regard to the conditions of life on board.

Senator GUTHRIE.—Yes, but there are no foreign ships which make Australia their first port of clearance.

Senator Sir JOSIAH SYMON.—What does my honorable friend mean?

Senator GUTHRIE.—They make their agreements in their own country.

Senator Sir JOSIAH SYMON.—So does a British ship.

Senator GUTHRIE.—Not by a long way.

Senator Sir JOSIAH SYMON.—Surely there is not an oversea British ship that does not make its agreement in its own country—in England.

Senator GUTHRIE.—They make them here sometimes.

Senator Sir JOSIAH SYMON.—How many?

Senator GUTHRIE.—Many of them do.

Senator Sir JOSIAH SYMON.—My honorable friend can show that. I take leave to say that the Orient liners, the Lund liners, the White Star liners, the P. and O. liners, enter into their agreements with the seamen in their own country.

Senator GUTHRIE.—There are tramp ships on this coast to-day which are registered in England, and which make their agreements in Australia.

Senator Sir JOSIAH SYMON.—Let me tell my honorable friend that we are dealing with clause 133. All I ask is, why should we not make this provision for a slop-chest and tobacco apply to foreign ships if we have jurisdiction over them. Does the Attorney-General tell me that we are at liberty to make this provision as to a P. and O. or Orient liner, or any other ship registered in England?

Senator GUTHRIE.—If she makes her agreement here, yes.

Senator Sir JOSIAH SYMON. — Nothing of the kind. This is not the tribunal to deal with that question, to legislate for a British ship which is registered in England, and comes out here so as to prescribe that all the articles shall be of good quality, and sold to the crew at a price not exceeding 10 per cent. on the cost price. Whoever heard of such a preposterous and ridiculous notion as that this provision could be enforced on board a vessel which was sailing under the Merchant Shipping Act, with a crew articulated under the Merchant Shipping Act, which is the dominant legislation. How on earth is that to be carried out? That is before we come to the part which amends the Merchant Shipping Act, by making applicable all the succeeding provisions to Britain and foreign ships. I ask my honorable and learned friend why he should not apply the salutary provisions with regard to ships furnishing tobacco at 10 per cent. above cost price, to foreign ships in our territorial waters; and why, if he cannot do that, he should apply it to British ships that are working under the most beneficent law—the Imperial Merchant Shipping Act?

Senator DRAKE.—I thought the honorable and learned senator was suggesting that we ought to make the provision applicable to foreign ships.

Senator Sir JOSIAH SYMON.—I say, why should we not do so if we make it applicable to British ships? We might just as well make that applicable, as the provisions of clause 185; and could just as easily do it as we can compel a foreign ship to give boat-drill to her ship's crews, when she was at sea. I referred to the criticism—which is obvious, it seems to me—as to the power given to the Minister under this Bill. The Minister is introduced a great deal too much. I have looked through a great many of the clauses, and the references to the power of the Minister run right through the measure. They are like peas in a pudding. The Minister can do anything. For the first time in legislative history we find the Minister dragged in at every point and at every turn. He is put in the position of doing the work of the Court without hearing the evidence, and without knowing the rights of the parties. We have in the provision as to forfeiture, the provision that the whole proceeding comes before the Court which hears the evidence; and then the Court—surely the proper body—is given power to say whether or not the circumstances warranted the desertion of the seaman. If the

man has been abused or ill-treated, or for some other cause which the Court thinks adequate has deserted, then in the same way as desertion—not using the term as implying any impropriety, but as referring to the workman absenting himself from his work—may take place in any employment, it may take place from a ship. I do not know of any principle of law that is better established than that is. The Court, having the whole of the facts before it, has power, under the Merchant Shipping Act, to say whether the desertion was excusable or not, and if it is excusable it has power to say that the man may have his wages although he has deserted. But under this provision the Minister is to have jurisdiction to say whether the man shall have his wages or not. It is to depend upon the Minister of the day, or upon outside influences, which may be brought to bear by a particular shipping company, to say that, in spite of the fact that the Court has declared that the man shall have his wages, those wages shall be forfeited. It seems to me that that provision deserves my honorable and learned friend's most serious consideration.

Senator DAWSON.—Is that by Executive act?

Senator Sir JOSIAH SYMON.—No. It depends on the Minister's own individual action. It depends upon the gentleman who for the time being is Minister, not upon the Governor-General, with the advice and consent of his Executive Council. The Minister, simply on his own *ipse dixit*, without having heard the evidence at all, may, under this Bill, if passed in its present shape, have the power of forfeiting a man's wages.

Senator GUTHRIE.—Which go to the ship-owner.

Senator Sir JOSIAH SYMON.—I say frankly that it has been impossible for me to investigate this Bill as my honorable friend, Senator Guthrie, has been able to do in every detail and ramification. The things I have referred to are examples of I do not say more than the want of care that has been exercised in chipping in the powers of the Minister whenever there was a possibility of doing so. Much as I love Ministers, I think there ought to be some little care exercised in respect to the powers to be given to them under such a Bill as this. My honorable friend will find if he turns to clauses 10, 11, 16, 18, and 202, other examples of what I have complained of. There are other cases in other parts of the Bill. Indeed, their name is legion.

We cannot read these clauses without seeing the grave impropriety of conferring the powers I have referred to upon the Minister of the day, not to be exercised as an executive act, but simply to be exercised by him as Minister in relation to the multitudinous and grave matters dealt with by this measure. Then there is also too much of the words "as prescribed." I say, let us legislate in the daylight. Let us put into this Bill everything we possibly can—certainly every important matter that affects the welfare of the shipping interests; of the seamen on the one hand and of the owners on the other.

Senator DRAKE.—We should make a big Bill of it then.

Senator Sir JOSIAH SYMON.—It would be better to have a Bill of 50,000 clauses than to leave such powers to be exercised by regulations, of which we know nothing.

Senator DAWSON.—There may be 500,000 regulations.

Senator Sir JOSIAH SYMON.—All I say is that I pity the seaman who is left to the tender mercies of fluctuating regulations, which may be made from day to day, and changed from day to day.

Senator GUTHRIE.—What is worse than the regulations is that too many powers have to be exercised by proclamation.

Senator Sir JOSIAH SYMON.—I will mention one in illustration of what my honorable friend says. It appears in clause 38 under which all ships registered in Australia and all other ships—

when carrying passengers or cargo shipped or taken on board in any port in Australia to be carried to and landed or delivered at any other port therein, or to New Zealand, shall carry as crew the number and description of persons specified in the scale set out in Schedule 2, or as prescribed.

The Government put a scale into a schedule of their Bill, and then they give power to alter it "as prescribed."

Senator DRAKE.—By regulation.

Senator Sir JOSIAH SYMON.—I invite my honorable and learned friend to look at the next paragraph of the clause. Apprentices and seamen, owners and all the rest of them will never know where they are. After we have legislated, as we think, with precision and clearness—

The Minister may exempt any ships from the operation of this section in regard to boys or apprentices.

What is the good of our legislating at all? The elasticity of this measure is something

marvellous. Everything is put upon the Minister. If that is to be the case, let us have a Bill of one clause providing—"It is hereby enacted that all ships, shipmasters, apprentices, seamen, and others shall conduct themselves and carry on their business as the Minister may from time to time prescribe." I have referred to these matters, which are details, with a view to their consideration when this Bill gets into Committee. It will give us plenty of material for legislative digestion for a good many weeks to come. If the principles to which I have ventured to allude are well founded, as I believe them to be, their consideration may assist in the progress of the measure, and in making it not merely conform to the Imperial legislation with regard to all these matters, but consistent with what is right and proper and definite, so that every one affected by it, and every one engaged in this immense enterprise of shipping, which involves trade and commerce, from the humblest boy on board ship to the most experienced master, shall be able at any moment to tell exactly what the law is, what his duties and obligations are, and what his rights are. But really these are matters of detail, which may be better dealt with in Committee. Now I come, however, to that part of the Bill which is linked on to part 10 of the Governor-General's speech. It says—

A Bill relating to navigation and shipping will be submitted to you, specially providing for the regulation of our coasting trade.

Part VII. of this Bill would appear to be the real object of the measure. The rest simply professes to re-enact provisions from the Merchant Shipping Act, which would be operative without re-enactment at all. But they are put in as a kind of fringe—a heavy fringe, it is true—or ornamentation round about what is really the gist of this measure. And here we come to a matter which is one of principle. It is spoken of as "regulation." To me it appears as revolutionising the existing trade, and it is certainly the most conspicuous, if it is not really the only piece of original legislation in the Bill. Now I take the view that these provisions represent what, if placed upon the Statute Book, will be an inconceivable legislative blunder on the part of the Parliament of the Commonwealth. My honorable and learned friend the Attorney-General has expressed, what I think we shall all agree with, that this nation of Australia—I like to think of it as and call it a nation

—is in its infancy. But the provisions contained in Part VII. of the Bill are really the deliberate effort of a nation in its infancy to cut off its nose to spite its face.

Senator DRAKE.—To start on proper lines.

Senator Sir JOSIAH SYMON.—My honorable and learned friend — I am sure he will accept my assurance that I do not want to do him any injustice—seemed uncommonly half-hearted in his advocacy of Part VII.

Senator DRAKE.—No.

Senator Sir JOSIAH SYMON.—There was not that fine strenuous eloquence and earnestness which marked his dissection of the rest of the measure; and when he said at the finish, "Well, you cannot always be logical——"

Senator DRAKE.—But it is an exception that the honorable and learned senator is speaking of.

Senator Sir JOSIAH SYMON.—The exception which proves the rule.

Senator DRAKE.—A very different thing.

Senator Sir JOSIAH SYMON.—I am glad to have the admission that the exception is a very different thing, and that it is not defensible.

Senator DRAKE.—It is only temporary.

Senator Sir JOSIAH SYMON.—I will regard it as a temporary expedient, though it is equally indefensible, notwithstanding that it is short-lived; it is no better, and, perhaps, no worse, because it is a "little one."

Senator PEARCE.—It is easily defended.

Senator Sir JOSIAH SYMON.—It appears to me that the combined result will be to tend to legalize monopoly.

Senator MULCAHY.—It is in the interests of the Australian "fat man"—the ship-owner.

Senator Sir JOSIAH SYMON.—It will tend to make the path easy for the establishment of a gigantic shipping ring, which might, and certainly could at present, prey without let or hindrance on Inter-State commerce, and exact what rates the combination might please from the Australian producers and the travelling public. It will not merely tend, but will in fact lessen the facilities of communication between one part of Australia and another. It discriminates between the people of one Australian port and of another.

Senator MULCAHY.—It is un-federal.

Senator Sir JOSIAH SYMON.—It is un-federal, but whether it is unconstitu-

tional or not, is a question to be settled elsewhere.

Senator PEARCE.—The present conditions are un-federal.

Senator Sir JOSIAH SYMON.—Not at all. I shall deal with the particular provision in a moment, and then Senator Pearce and I can get to close quarters as to the methods adopted to secure discrimination. While we are legislating thus on what we are told are the highest of moral principles, and in order to maintain the wages rate in the coasting trade, we are asked to abandon these principles in regard to two-thirds of the coast line of Australia.

Senator PEARCE.—But not as to two-thirds of the coasting trade.

Senator Sir JOSIAH SYMON.—All this is to be done in a round-about, indirect, and sinister fashion. Surely the plain and honest way would be to prohibit all vessels, whether British or foreign, not registered in Australia, from carrying a single passenger or an ounce of goods from one Australian port to another.

Senator GUTHRIE.—Would the honorable and learned senator help to pass such legislation?

Senator Sir JOSIAH SYMON.—No, I would not.

Senator GUTHRIE.—Go straight.

Senator Sir JOSIAH SYMON.—I should go straight against such legislation. If it is desired to reserve to ourselves the coasting trade, to which it is declared we have an absolute right, why have the humbugging, one-sided, obnoxious method of giving the cake to one and the tin in which it is baked to another? Show your loyalty to the mother country—show your Imperialism and vindicate all your sentiments of love and affection to the old land, and your desire to give commercial preference by—I do not like the expression, but it is appropriate—blacklegging the mother country's ships the moment they approach your shores!

Senator GUTHRIE.—We only ask that British ships trading in Australia shall pay Australian rates of wages.

Senator Sir JOSIAH SYMON.—It is asserted that we have an absolute right to our own coasting trade, and if we desire to assert and secure that absolute right, our duty is to place our determination directly on the statute-book, and not attain our end by indirect means, which may be equally effective, but will

place British ships on the same footing as foreign vessels. If this proposal be carried out we shall fetter and circumscribe the sea-borne traffic and trade of our own people. If ever there was a piece of indefensible legislation, it was legislation of this character. I am filled with astonishment when I see such legislation supported by men like the Prime Minister, and by that even more Imperialistic gentleman, the Minister for Home Affairs, who on platforms and at luncheons—chiefly luncheons—has declaimed about strengthening the links which unite us to the mother country, and asked us, for Heaven's sake, to give the old land commercial preference by admitting British goods on better terms than those on which we admit foreign goods. At the same time the honorable gentleman asks us not to allow British vessels to carry a single Australian passenger from Fremantle to Adelaide—I have not forgotten the exemption—or from Adelaide to Melbourne. It is infamous. I am sorry that those gentlemen, for whom I have the highest esteem, should be so recreant to their patriotism as to father such provisions.

Senator PEARCE.—The Bill does not contain such a proposal.

Senator Sir JOSIAH SYMON.—We will see what the Bill contains. The object of the Bill is to limit, or to put it another way, to shut out all ships except those Australian-owned and Australian registered, from carrying passengers or goods from one port to another. If that is not the object, it must inevitably be the result. Senator Drake justifies the proposal on two grounds. The Attorney-General does not say that there is any necessity for discriminating, but contends first that we have an absolute right to our own coasting trade, and in the same breath he tells us that under this Bill we are to surrender, as I have said before, two-thirds of the coast line of Australia, and exempt it from the application of this most beneficent principle. In the second place, he rests his proposals on the ground that the wages on British ships must be elevated to the rates which prevail on Australian registered vessels in the coasting trade, and yet two-thirds of the coast line are to be exempt.

Senator GIVENS.—That is the weak point in the Attorney-General's argument.

Senator Sir JOSIAH SYMON.—Weak! It is a colander through which the whole proposal drops.

Senator PEARCE.—The legislation is not necessary on that part of the coast.

Senator Sir JOSIAH SYMON.—Is it not? There is a place called Port Darwin.

Senator PEARCE.—There are none but Chinamen there.

Senator Sir JOSIAH SYMON.—We are now dealing with matters of trade, and I am calling attention to the principle on which the Attorney-General rests the proposed legislation. The honorable and learned senator asserts our absolute right to the coastal trade, while he at the same time surrenders two-thirds of the coast line.

Senator DRAKE.—Only in regard to passengers is there any concession made. We do not surrender two-thirds of the coast line.

Senator GUTHRIE.—The coast line referred to extends from Cape York to Adelaide.

Senator Sir JOSIAH SYMON.—How much of the coast line is that?

Senator GUTHRIE.—Not far short of two-thirds of the whole.

Senator Sir JOSIAH SYMON.—When in any difficulty with regard to the geography of Australia, I have no hesitation in referring to Senator Guthrie, and I am satisfied if he tells me I am right.

Senator DRAKE.—And I say that the honorable and learned senator is wrong, not geographically, but as to our surrendering two-thirds of the coast-line.

Senator Sir JOSIAH SYMON.—The Attorney-General has said that the principle by which we ought to be guided is not to apply the provision to the coast-line from Cape York—

Senator DRAKE.—I do not say that.

Senator Sir JOSIAH SYMON.—From Cape York on the north-east, right round to Fremantle, and from Fremantle to Adelaide on the south; and I say that that is very nearly two-thirds of the coast-line.

Senator DRAKE.—We are not exempting two-thirds of the coast-line.

Senator Sir JOSIAH SYMON.—If it is a sound principle to apply to one-third of the coast-line it is an equally sound principle to apply to the other two-thirds.

Senator DRAKE.—We are applying the principle all round with an exception.

Senator GUTHRIE.—Will not British ships be exempt under clause 306?

Senator Sir JOSIAH SYMON.—It is difficult to decide such a question off-hand. I ask the Attorney-General how he justifies his proposal, and he anticipated the request by reading some extracts, one of which was

from the report of the Conference of Premiers. He quoted that extract to justify what? This provision? Nothing of the kind. The Conference decided and recommended a sort of shipping Zollverein. British ships registered in any part of the King's dominions were to trade in all parts of the King's dominions, and, therefore, to have the same right as an Australian owned or Australian registered ship, to engage in the coasting trade of Australia. Does the quotation from the report justify the exclusion of British ships from the coasting trade of Australia? If not, the quotation has no point.

Senator PLAYFORD.—It is not proposed to exclude British ships.

Senator Sir JOSIAH SYMON.—Why keep the promise to the ear, and break it to the hope?

Senator PLAYFORD.—British ships can trade on the coast on the same conditions as Australian ships.

Senator Sir JOSIAH SYMON.—Surely the honorable senator has not read the clauses. It might surprise some people to know that the Vice-President of the Executive Council who is supporting these provisions was a very distinguished Agent-General in England, and is no doubt affected by the same patriotic desires as are other members of the Ministry. Yet he supports a proposal that if a British ship carries a passenger from Adelaide to Melbourne, a voyage of about thirty-six hours' duration, she shall immediately come under the operation of the Bill. The whole accounts in regard to the wages, and all arrangements with regard to the manning of the ship, must be disorganized for a thirty-six hours' trip. Is it to be supposed that the seamen on such a vessel would obtain any benefit. The idea is preposterous. They have not enacted it yet. I say that quotation had no more to do with this matter than "The flowers that bloom in the spring." My honorable and learned friend next quoted from a report referring again to the coasting trade; but to what coasting trade? The coasting trade of the Empire; in other words, the Inter-Imperial coasting trade? That report recommended that some consideration should be given to the possibility of arranging that the trade of the Empire should be carried on under the British flag.

Senator DRAKE.—That is the ideal, of course.

Senator Sir JOSIAH SYMON.—As my honorable and learned friend says, he

quoted the ideal. But we are not legislating for Utopia, but for Australia, where we have to deal with practical human beings.

Senator DRAKE.—We are going to do what we can.

Senator Sir JOSIAH SYMON.—We are going to do what can be done to reach what my honorable and learned friend admits is an ideal, and, therefore, not practicable.

Senator DOBSON.—The report was the practical outcome of the Premiers' Conference. They did not look upon what they recommended as merely an ideal.

Senator DRAKE.—We aim at what can be obtained.

Senator Sir JOSIAH SYMON.—So long as we know that it is all right. My honorable and learned friend will not press it; the Senate will throw it out; and I dare say nobody will be more delighted than will the honorable and learned gentleman, who tells us that so far as these exceptions are concerned, they are neither logical nor good sense.

Senator DRAKE.—I did not say that.

Senator Sir JOSIAH SYMON.—The honorable and learned senator did not, it is true, discuss the sense of it. Now as to the provisions which embody this principle. These are the only clauses to which I propose to invite the attention of honorable senators specifically, as they are too important to be passed over. What is the definition of "coasting trade"? Clause 295 defines it in this way—

A ship shall be deemed to engage in the coasting trade if she takes on board passengers or cargo at any port in Australia to be carried to or landed or delivered at any other port in Australia.

What does that mean? I am not dealing with the exceptions now. This is the assertion of the principle. It means that a vessel coming down from Singapore to Derby, in the north-west of this continent, cannot take a passenger from Derby to Geraldton without coming absolutely under the whole of these provisions, and upsetting the whole of the conditions on board, so far as the questions of wages, the number of seamen, and so on are concerned.

Senator DRAKE.—As soon as she competes she must do so on fair conditions.

Senator Sir JOSIAH SYMON.—Further, as to the duration of this condition, she is to be in the coasting trade for how long? For the time she occupies in going from Derby to Geraldton, and no longer. If she lands the man at Geraldton she is to be out of

the coasting trade. She is to be in the coasting trade at Derby, and to pass out of it again at Geraldton. What is the sense of that? I could understand that there might be some reason in declaring these conditions to apply to all British registered vessels, whether registered in Australia or not, regularly taking part in the coasting trade. I say that the taking of a passenger by an oversea ship from one port of the Commonwealth to another for the convenience of a passenger is not taking part in our coasting trade. It is a sham and a farce to call it so.

Senator PEARCE.—Where would the honorable and learned senator draw the line?

Senator Sir JOSIAH SYMON.—I shall tell my honorable friend where I should draw the line. This definition is a perfect farce. If it applied, and we were to assume that the taking of a passenger at Derby would bring this vessel into our coasting fleet, whenever she was on the coast of Australia, I could understand it. We should then be saying that once she touched, so to speak, the unclean thing, she should be considered contaminated for ever. But if we are to make it apply only whilst a passenger is on board who is travelling from Derby to Geraldton, or from Geraldton to Fremantle, that I say would be absurd. A ship would be in the coasting trade one hour and out of it the next. How could such provisions be worked?

Senator GUTHRIE.—We have all the machinery here for it.

Senator Sir JOSIAH SYMON.—There is no machinery here for it. We might put 50,000 such definitions in the Bill, and I should still deny that a vessel doing this kind of thing was engaged in the coasting trade of Australia in any sense in which we understand it.

Senator MULCAHY.—The bringing of a passenger from Hobart to Melbourne by a P. and O. boat would bring her into the coasting trade.

Senator Sir JOSIAH SYMON.—It might be an absolute convenience to the passenger, and he pays for it.

Senator MULCAHY.—It might be a matter of urgency for him to go by an oversea boat.

Senator Sir JOSIAH SYMON.—Taking the other side, a vessel coming down from Hong Kong to Port Darwin would not be permitted to take one passenger from Port Darwin to Townsville, or to Sydney, without coming under these provisions. Whom would it hurt? Not the ship. As my hon-

orable and learned friend has said, there are about 2,000 Chinamen in the Northern Territory. They would not desire to travel under the conditions desired by the high-level European, who is prepared to pay for the extra comfort provided. It would be these Europeans who would be inconvenienced and injured. The effect of such provisions would be to prevent these vessels from taking any passengers from Port Darwin to other ports in the Commonwealth. This would be particularly the case in regard to foreign vessels, under clause 208, under which a Japanese vessel, for instance, might not be licensed, and might be prevented from taking any passengers at all. The result would be that we should have a prohibition—we cannot disguise the fact—preventing these vessels from taking passengers from Port Darwin to Townsville, Sydney, or any eastern or southern port. I quite agree with Senator Givens that this would be a gross injustice, not merely to the Northern Territory, but to the northern portion of Queensland, which is nothing like so well served with commodious comfortable steamers as is Western Australia.

Senator PEARCE.—It has not one-tenth of the population.

Senator Sir JOSIAH SYMON.—It is not a question of population, and the population of Queensland is three times, or thereabouts, that of Western Australia.

Senator PEARCE.—The honorable and learned senator was speaking of one corner of Queensland.

Senator DAWSON.—We are entitled to nine members of the House of Representatives, and Western Australia gets five.

Senator Sir JOSIAH SYMON.—The absurdity of the whole thing is admitted by the two exceptions. The Government has pasted on the face of this measure the condemnation of their own principles.

Senator PEARCE.—They justify them.

Senator Sir JOSIAH SYMON.—Fremantle would be exempt, but the apple trip would be abolished.

Senator CLEMONS.—That is where the line is drawn.

Senator Sir JOSIAH SYMON.—Over-sea ships might take passengers all the way from Fremantle to Adelaide, but from Adelaide to Melbourne, or Sydney to Hobart it would be "taboo." Senator Drake rather hurried over the provisions of clause 297. The Western Australian representative of the Ministry was not satisfied, and in

that clause power is to be given to the Governor-General by proclamation—that is, the Executive—to make certain exemptions whenever it is desired to conciliate the Western Australian friends of the Government, and of course it will never be necessary to do that in Parliament, or out of it.

Senator PEARCE.—That clause refers to Port Darwin and South Australia.

Senator PLAYFORD.—That is so; Port Darwin comes in there.

Senator Sir JOSIAH SYMON.—We shall see about South Australia. I do not know how Senator Playford is going to face South Australia after this. I remember his next election is two years off yet. It may be by proclamation be ordered that all trade from Fremantle, north-west, and round by the north-east to Thursday Island, shall be exempt. What would be the effect of that? Might it not be a delicate way of getting the whole of the trade of that part round to Fremantle.

Senator PLAYFORD.—It might go to Port Darwin, and round to Fremantle.

Senator Sir JOSIAH SYMON.—That is what I say—it will go to the one centre.

Senator PLAYFORD.—The honorable and learned senator said it would go westward, but I say it might go eastward.

Senator Sir JOSIAH SYMON.—Where to?

Senator PLAYFORD.—Eastward round to Fremantle.

Senator Sir JOSIAH SYMON.—All roads are right roads that lead to Rome. My honorable friends have been under the spell of the magician in the Ministry. I say that these exceptions establish two things, first the hollow mockery of the whole business, and secondly that the magician, our friend the Minister for Home Affairs, Sir John Forrest, bestrides the Ministry like a colossus, or sits on their back as did the Old Man of the Sea on the back of Sinbad the sailor. Were not these provisions inserted at the point of Sir John Forrest's bayonet? We should never have had them here but for the right honorable gentleman. I congratulate my honorable friend Senator Playford upon being a man of great firmness, but in this instance he has shown that there are powers of persuasion which can operate even upon him.

Senator DAWSON.—This is unconstitutional also.

Senator Sir JOSIAH SYMON.—It may be unconstitutional. I am reminded that the

passenger traffic by these big ocean steamers is very much larger between Fremantle and the eastern ports than it is between any of the other ports of the Commonwealth. Why should we, fortified by this noble principle, to which my honorable and learned friend, Senator Drake, has given such eloquent expression, of maintaining wages and asserting our right to our own coastal trade, swallow the camel in this way while we strain at the gnat? I have not the statistics before me, and Senator Drake has frankly admitted that those he has quoted are not trustworthy. But I have no doubt that the passenger traffic by these boats from Adelaide eastward is comparatively insignificant as compared with that between Adelaide and Fremantle.

Senator PEARCE.—Because passengers between Adelaide and Sydney have the alternative of a railway, which Western Australian passengers have not.

Senator DRAKE.—I think the passenger traffic by these boats between eastern ports is very considerable.

Senator Sir JOSIAH SYMON.—Of my own knowledge I know that the passenger traffic by these boats between Adelaide and Melbourne is a mere bagatelle. I shall not say what it is between Adelaide and Sydney, as I am not prepared to make any reliable comparison.

Senator BEST.—It is very expensive, too.

Senator Sir JOSIAH SYMON.—As the honorable and learned senator says, it is very expensive. The higher rates prevent unfair competition with local steamers. It is really surprising to me that an exception of this kind should be sought to be introduced to keep open to over-sea ships the traffic where it is largest, whilst shutting them out from where it is least. Surely the populous eastern parts of Australia should be considered. One would think, as Carlyle once said, speaking generally, that the people of the east of Australia must be mostly fools if they submit to such legislation as this.

Senator DOBSON.—They are trying to legalize a grossly unfederal act.

Senator Sir JOSIAH SYMON.—It is unfederal. The curious thing is that the moment the ship comes to Adelaide these passengers—

Senator PLAYFORD.—We make them get out at Adelaide.

Senator Sir JOSIAH SYMON.—My honorable friend rejoices that the moment the passengers come to Adelaide the Government make them get out. The moment

they reach Adelaide they are contamination; they are treated like contraband goods; and my honorable friend thinks that that is a fine thing for South Australia.

Senator TRENWITH.—Then you take them in.

Senator DRAKE.—They touch the railway.

Senator Sir JOSIAH SYMON.—It used to be said that the moment a slave touched British soil he became free, but the moment these unhappy passengers who come from Fremantle reach Adelaide and remain on board the ship—part of the British Empire theoretically—they become bond, because their privileges and the privileges of the ship disappear, and they can only be permitted to travel on to the next port—a thirty-six hours' further journey—

Senator PLAYFORD.—By rail.

Senator Sir JOSIAH SYMON.—By rail! Does my honorable friend think that it is fair to these passengers to legislatively decoy them on board a great ocean-going ship at Fremantle, and then, when they arrive at Adelaide, intending to go to Melbourne or Sydney, to bundle them out neck and crop?

Senator PEARCE.—As is done at Largs Bay.

Senator Sir JOSIAH SYMON.—That is a very nasty place for landing passengers; and yet my honorable friend, with his humanitarian principles, is going to bundle out the passengers, to land them in baskets, as passengers have sometimes to be landed, like a bale of goods, and to get rid of them.

Senator PLAYFORD.—No.

Senator Sir JOSIAH SYMON.—My honorable friend thinks that they will travel over first class to Melbourne for the benefit of the South Australian railways.

Senator PLAYFORD.—They will go by the local boats.

Senator Sir JOSIAH SYMON.—That is about the thinnest argument that ever was invented. Adelaide, then, is to be a sort of plague spot?

Senator PLAYFORD.—Oh, no.

Senator Sir JOSIAH SYMON.—I thought not. Let my honorable friend go and ask the people of South Australia whether they think it is fair that Fremantle should be a kind of clean port, where no disabilities are to be encountered by the ocean-going ships, but that fair Adelaide

is to be unfair Adelaide under the unfair legislation which is proposed by this Ministry, and that passengers—it does not matter whether they are steerage, cabin, or anything else—are to be bundled out.

Senator PLAYFORD.—The poor ones will not go by the P. and O. boats, with their higher tariff.

Senator Sir JOSIAH SYMON.—Then my honorable friend is content to prohibit them from going; he will not allow the comforts to the poorer passengers. They are to be taken on by vessels which, so to speak, are to be warned off Adelaide. How if they do not touch at Adelaide at all? What provision is made for that?

Senator TRENWITH.—They are to be drowned there.

Senator Sir JOSIAH SYMON.—I believe that my honorable friend's idea is the right one—that they are to be drowned like puppies.

Senator MULCAHY.—The passengers will be booked for Melbourne.

Senator Sir JOSIAH SYMON.—They will book them for Melbourne? What happens then to Fremantle? Under the Bill, as it stands, they cannot book to Melbourne without bringing the ship under these clauses. Is that just to Melbourne? Does my honorable friend think that the Minister for Home Affairs will stand that? Not at all. If that is mentioned to him, an amendment will be moved in the clause as soon as it is reached in Committee, to provide that if the passengers board at Fremantle they will be allowed to go on to Melbourne or Sydney as long as they go direct. This bundling out at Adelaide will have the effect of either stopping these vessels from carrying any passengers from Fremantle, or their passing Adelaide altogether.

Senator PEARCE.—Oh!

Senator Sir JOSIAH SYMON.—I think my honorable friend will feel that I am just as much entitled to be interested in the welfare of Adelaide and the fairness with which it is treated as he is entitled, properly, to be concerned for Western Australia. But do honorable senators believe for one moment that these ocean-going steamers calling at Adelaide will take one single passenger from Adelaide to Melbourne—only a passage of about thirty-six hours—with the result of disturbing their arrangements, upsetting their accounts, altering their wages-sheets, and perhaps opening the door to untold litigation, which

would be a great boon in many quarters, but not very satisfactory to those people who are engaged in shipping? My honorable friend referred to the railway. Why should that question be dragged in at all? It is a most extraordinary provision to put in the Bill. We are asked to legislate that Fremantle—

Senator BEST.—This is undue pressure in the interests of the railway.

Senator Sir JOSIAH SYMON.—What is it there for?

Senator PEARCE.—Until the conditions are made equal.

Senator GUTHRIE.—Was not the honorable and learned senator one of those who promised the people of Western Australia a railway?

Senator Sir JOSIAH SYMON.—No; and if I did I should still object to put such a provision into any legislation. Presumably, South Australia is not to be placed in this position of favour in regard to passengers going from Adelaide to Fremantle.

Senator DRAKE.—Between one and the other.

Senator Sir JOSIAH SYMON.—That may be so, but it is not clearly expressed. South Australia is not favorable, at present, to the construction of this railway. Why is South Australia, because she does not happen to be favorable to its construction, placed under this ban in regard to the vessels which come to her ports? The effect of it will be to place on our statute-book a perpetual statutory placard which will be a sort of salve to perhaps the people of Western Australia, or to some of their representatives in relation to this particular railway. It will keep up a sort of idea that this railway is in the near future.

Senator PEARCE.—It is a very awkward reminder to some people of past promises.

Senator Sir JOSIAH SYMON.—To my mind the railway is not in the very near future. I do not wish to discuss the question now. A time will arise when it can be discussed. What I wish to point out is that Western Australia has an excellent steam-ship service supplied by local lines.

Senator PEARCE.—Since the mail steamers commenced to call.

Senator Sir JOSIAH SYMON.—It has an excellent service, quite independent of the mail steamers.

Senator PEARCE.—But not until they commenced to call.

Senator Sir JOSIAH SYMON.—The mail steamers are only used because of the

increased comfort or luxury which they give to travellers. You do not want these ships to avoid Fremantle, for the very good reason that, if they do call, those who can pay for the additional accommodation prefer and are eager to travel by them, and small blame to them. But, if so, why are they to be treated as a kind of plague ship when they arrive at the other ports? Why is not the same condition to be attached there? The people are travelling by sea under both sets of circumstances, and the Adelaide Steam-ship Company, Huddart, Parker, and Co., McIlwraith, McEacharn, and Co., and other lines possess a fleet of as fine ships as are to be found in the waters of this or any other country. The service is frequent, comfortable, and safe, and, to say that it is not sufficient is, I think, ridiculous. If the principle is good, let it be applied all round. If it is bad, as my honorable friends from Western Australia know and feel that it is, and they will not have it applied to themselves, I submit that it ought not to be applied to any other part of Australia. My honorable and learned friend referred to America and some other countries. There is no parallel between the condition of things in those countries and that which obtains to Australia in regard to British ships. There would be some parallel if Australia were turned right round, and Sydney were planted over Fremantle. Vessels going from England go from Liverpool, London, or Southampton to New York or Boston, their terminal point, but they are not situated in the same way as ships coming from Europe to Australia. Here they call at Fremantle on the way out, and then pass on to the other ports. Honorable senators do not object to the ships calling with their oversea passengers or their oversea goods at Fremantle and Adelaide; and why they should object to Australians taking advantage of these big ships for their personal comfort and convenience it is impossible for me to make out. If they are to make it a condition that there must be railway accommodation, the absurdity of it is shown by an interjection from, I think, an honorable senator on the other side. We might just as well say that this provision should not apply as between the mainland and Tasmania until there was a railway bridge from Melbourne to Launceston.

Senator TRENWITH.—It will be a good long while.

Senator Sir JOSIAH SYMON.—It will. It must be remembered that all British ships in American waters are foreigners. The same principles do not apply when honorable senators seek to exclude British ships whose coming and trading here they desire to encourage on sentiment—trade sentiment as well as the union that is supposed to be promoted by all these additional facilities of interchange. It must also be remembered that the law in America was passed in the year 1793, when that country was smarting from the revolutionary war; smarting from the treatment to which she had been subjected by the mother country, and smarting from the very conditions of enforced preferential trade, which was carried to an extreme in relation to the Colonies in those days, and which was one of the causes which led to revolutionary war. It was the reaction against the monstrous laws of Great Britain in dealing with her Colonies in those days—in insisting that no goods should be exported from America unless carried in English bottoms, and various other provisions of a like kind—which, amongst other causes, led to the revolutionary war.

Senator PLAYFORD.—It was the Stamp Act and the tea duty.

Senator Sir JOSIAH SYMON.—That was one of the causes; but my honorable friend must read up his American history before he commits himself to this chimera of preferential trade; and he will find that one of the causes of the revolutionary war was this monopoly of trade and of British shipping. The result was that in 1793 the United States shut out all shipping which was, as it is still, foreign to her. Trade between the districts of the union was declared to be coastal trade. It is on that ground that it is held in the United States that ships engaged in the trade between New York and San Francisco are just as much engaged in the coasting trade as ships trading between New York and Boston. But there is just as much, or as little, connexion between the law of the United States, which limits the Inter-State trade by water to American owned vessels, and this project for shutting out ships of the United Kingdom from our trade, as there is between Tenterden Steeple and Goodwin Sands. We have to inquire how those two things exist in America. They absolutely prohibit and refuse to allow any ship to be registered or licensed—not upon conditions

as to wages or anything of that kind—but unless it is owned and commanded by an American citizen.

Senator GUTHRIE. — And built in America.

Senator Sir JOSIAH SYMON.—And built in America. The conditions are altogether different. What we are doing, however, is to say that we will exclude ships from the very country, that we are anxious, not merely to conciliate, but to embrace in a commercial embrace—an embrace of amity and friendship. We are asked to show our friendship by kicking them out, or subjecting them to conditions which are equivalent to shutting them out around our coasts.

Senator TRENWITH.—We propose to subject them to conditions which apply to our own ships.

Senator Sir JOSIAH SYMON.—What is my honorable and learned friend the Attorney-General going to do to British ships? He says that foreign ships are to be licensed, and this Bill is going to make them pay the wages practically in advance during the period they are engaged in the coasting trade. How are we going to do it? They have only to pay Australian wages while they are engaged in the coasting trade.

Senator GUTHRIE.—After they have engaged in the trade.

Senator Sir JOSIAH SYMON.—No; they have to pay in advance.

Senator GUTHRIE.—No.

Senator Sir JOSIAH SYMON.—Perhaps not, but I had in my mind clause 300—

Every seaman engaged on a ship in any part of the coasting trade shall, subject to any lawful deductions, be entitled to, and shall be paid for, the period during which the ship is so engaged wages at the current rates ruling in Australia.

What is the period? When is the ship engaged in the coasting trade? Say she takes a passenger on board at Adelaide, and discharges him in Melbourne. Is not that the period? It must be the period. She is not engaged in the coasting trade when she is not participating in it. If she does not take on board more passengers in Melbourne, she is no longer engaged in the coasting trade. Is that worth doing in an important Act of Parliament? It is worth doing if the object is to hamper trade. It must be remembered that it refers to British shipping. British shipping has not to be licensed. The only difference between a British ship and a foreign ship under this

Bill is this—they are both under the same disabilities, but the foreign ship has to be licensed and a British ship has not. This provision therefore applies to every British ship, and the period is the time she is engaged in the coasting trade. It is absolutely nonsensical. Then the wages are to be “current rates.” What does that mean? What are current rates?

Senator GUTHRIE.—The Arbitration Court decides that.

Senator Sir JOSIAH SYMON.—It does nothing of the kind. The award of the Arbitration Court is made *prima facie* evidence when that award is made. But what is the current rate of wages now? It is undefined. No one can tell, and until the matter is brought before the Arbitration Court in some way, there is nothing to define what the current rate of wages is. I invite the attention of the Senate to this fact—that the right honorable member of another place whose illness I am sure we all most deeply regret—the ex-Minister for Trade and Customs—made a proposal which we are all aware he has advocated with all his ability and knowledge, not merely in Parliament, but out of it. He made a proposal which was infinitely less drastic and obnoxious than this is. He proposed to leave it altogether to the Conciliation Court to deal with as an exceptional circumstance, and he did not propose the current rate of wages in Australia. He simply proposed that the Arbitration Court should say what was a fair thing in respect of vessels participating spasmodically in Australian trade—such as from Adelaide to Melbourne, carrying, it might be, one passenger or two. He left it to the Arbitration Court to say what would be a fair condition to impose upon vessels in those circumstances. The Arbitration Court might say—“We will not interfere.” The Arbitration Court might say—“The distance between Adelaide and Melbourne is so short, and the time taken up by the voyage is so insignificant, that we do not think there ought to be any alteration.” The Court was to have absolute power. I think myself that if it were necessary to introduce a provision of this sort—and I do not think it is—if there were any occasion for the people of Australia, for the workers of Australia, for Australian seamen, to have such a provision as this, I should be found in favour of the proposal of Mr. Kingston, and not of such a proposal as is introduced into this Bill. It is rigid, hard and fast, absurd; and no ship in the world would carry a passenger

at the risk of having such provisions applied to it. Not only that, but under clause 38 the moment the vessel carried a passenger from Adelaide to Melbourne she would have to comply with the regulation as to the number of seamen to be carried. Suppose that the number of seamen prescribed for a vessel of that tonnage was one more than she carried to Adelaide. She would then have to engage one more man for the voyage between Adelaide and Melbourne. Could there be a more ridiculous proposal than that in dealing with the gigantic shipping industry that we are all so anxious to encourage?

Senator DOBSON.—The Bill does not even use the language, “wages equivalent to.”

Senator Sir JOSIAH SYMON.—No, it is the current rate of wages that has to be paid. From my point of view, it would be utterly in conflict with the Merchant Shipping Act, and the effect would be to raise the whole of the wages of every man on the ships’ articles from the rate to which they had agreed to that of the current rate prevailing in Australia, for thirty-six hours, between Adelaide and Melbourne. There is one change, and one only, that would result, and that would be to bring about an absolute prohibition, I do not say of those vessels participating in the trade, but a prohibition of Australians availing themselves of the opportunities of securing that greater comfort by sea which my friends in Western Australia desire to have reserved to them in travelling from Fremantle to Adelaide. I think the funniest thing of all is that which is contained in clause 301. I invite Senator Guthrie’s attention to it, because he may be able to elucidate it; I cannot—

If the seamen employed on any British ship were not engaged in Australia, the master, owner, or agent shall, before the ship engages in the coasting trade, make and sign before a superintendent an indorsement or memorandum on the agreement, specifying the wages to be paid to the seamen whilst the ship engages in the coasting trade.

That has nothing to do with the intention. A vessel may engage in the coasting trade by taking a passenger on board at Largs Bay for Melbourne, but before that passenger goes on board, how is the captain to know that he is going to engage in the coasting trade?

Senator PLAYFORD.—If the captain is not going to engage in the coasting trade he will not take the passenger.

Senator Sir JOSIAH SYMON.—Will the honorable senator bring his mind to bear on the subject? A captain engages in the coasting trade, not by the fact of any previous intention, but by the fact of a passenger coming on board. But how can he know beforehand that the passenger is coming.

Senator PLAYFORD.—If the captain is not going to engage in the coastal trade he will not take the passenger.

Senator Sir JOSIAH SYMON.—The passenger comes on board, and the captain says, "Oh, yes, I will take you on."

Senator DOBSON.—The captain does not engage until the trade offers.

Senator Sir JOSIAH SYMON.—I used one passenger by way of illustration. Suppose ten men came down an hour before the ship sails, and say, "We want to go to Melbourne," and the captain replies, "All right; I had no intention of engaging in the coastal trade, but, as there are ten of you I will take you on the voyage."

Senator GUTHRIE.—Then all the captain has to do is to get his articles indorsed before an officer of Customs.

Senator Sir JOSIAH SYMON.—The articles must be indorsed before a superintendent.

Senator GUTHRIE.—According to the definition clause, an officer of Customs has the same power as a superintendent in certain cases, and this would be one of the cases.

Senator Sir JOSIAH SYMON.—I think it would not be one of the cases, because a superintendent is specifically provided for. According to the interpretation clause "superintendent" means the superintendent at a mercantile marine office, and where not otherwise provided the superintendent for the port where the ship is, and further, it means—

A deputy of such Superintendent in respect of any acts and duties which such deputy is authorized to perform.

It will be seen that there is no provision for a deputy performing the duty with which we are now dealing.

Senator GUTHRIE.—A deputy has the same power as a superintendent.

Senator Sir JOSIAH SYMON.—A deputy has the same power as a superintendent in respect of any acts or duties which "such deputy is authorized to per-

form;" but he is not given the power in the provision under discussion.

Senator BEST.—According to the interpretation clause "superintendent" means "a deputy."

Senator Sir JOSIAH SYMON.—No; that is a limited definition of superintendent, and means a superintendent at the Mercantile Marine Office, and the deputy is one "authorized to perform certain acts or duties." Where is the deputy authorized to perform this particular duty?

Senator DRAKE.—He may be authorized to perform this duty.

Senator Sir JOSIAH SYMON.—He could be if such a provision were placed in the Bill. As the measure stands, the captain would have to trot up from Largs Bay to Port Adelaide, and perhaps delay his ship in order to sign a declaration before the superintendent before the ship leaves the anchorage, although, by the way, that would be perfectly unnecessary if the law compels increased wages. But as Senator Drake is going to amend—

Senator DRAKE.—I did not say so; I say that the provision is all right.

Senator Sir JOSIAH SYMON.—I think that an officer of Customs ought to be given the power. I will now deal with clause 306, and finish with this collection of curiosities—marine curiosities. This is the clause which is supposed to make a concession, and is as follows:—

The Governor-General may, if he thinks fit, by proclamation, exempt ships registered in or sailing under the flag of any foreign country from the provisions of this Part of the Act requiring such ships to be licensed before they engage in the coasting trade, if he is satisfied that by the law of that country British ships may engage in the coasting trade of that country without a licence, and as freely as ships engaged in or sailing under the flag of that country.

That is not much of a concession. Is it a concession to British ships? No; it is a concession to the foreigner. This is a Bill framed in the interests of foreign ships, and not in the interests of British ships, and the "concession" is a kind of final flourish, which places British ships on the same footing as foreign ships, and foreign ships on the same footing as British ships in relation to our coasting trade. That is not the kind of reciprocity between Australia and England that I should expect at the hands of the Government, which proclaims an ardent desire to unite the two countries in bonds of commercial harmony,

concession, and preference, and to make the Empire stronger by increasing the facilities of trade. So far as I am concerned, I shall offer to this particular part of the Bill, and every line of it, strenuous opposition. Why are Australians at any port to be debarred from becoming passengers on board any ship prepared to take them? This part of the Bill will deprive people of one more convenience for getting from one port of our common country to another. Never mind the interests of the Britisher or the foreigner—let us look at the matter, as the Western Australians very properly do, from a selfish point of view. Let us look at the matter from the point of view of the self interests of Australia. Western Australians have no objection—and from their point of view I do not blame them—to put fetters on us in the East, so long as they escape themselves. Protection—and this is the only occasion on which I shall use the expression—does not compel men to buy what they may think, wrongly, no doubt, the inferior local article. A person may give a higher price, and get what he may think, wrongly, of course, the better imported article. But here it is proposed to absolutely prohibit free Australians from getting at a higher price better accommodation, which he desires, and for which he is willing to pay.

Senator MULCAHY.—Not necessarily better, but more convenient.

Senator Sir JOSIAH SYMON.—I mean better in that sense only; that is, more convenient as to speed, comfort, or in any other way. I mean accommodation or facilities for travel which a man, in his prejudice and ignorance, may think to be better. Why should he not be able to use that accommodation? I call the proposal tyranny—senseless tyranny, and I trust it will not disfigure our statute-book. I say further that the provisions are unworkable. They will either amount to prohibition, which we are told is not wanted, or they cannot be carried into effect. And what are the people and workers of Australia to gain by such legislation? I say emphatically that it will be of no advantage whatever to Australian seamen, who cannot benefit to the extent of a halfpenny. Is the idea to better the condition of British or foreign seamen? If so it is an unattainable fad. Those seamen do not ask us to interfere with the conditions of their contract, even if we had the power to do so.

Senator DOBSON.—Is it to get rid of the coloured sailor?

Senator Sir JOSIAH SYMON.—If it is, that will not be the effect. I do not, however, want to deal with that aspect of the subject, but to take it on higher ground. Is the object to better the position of the British or foreign seaman by giving him, for a period of thirty-six hours on the voyage from Adelaide to Melbourne, the wages prevailing in Australian registered ships? If so, I think every honorable senator will agree that we are tilting at windmills. Why should we, who have our own large interests to look after, enter on such a hopeless, and thankless undertaking? Of course, we know that is not the motive underlying the proposal, but if it were, we should be told by those people to mind our own business. We should be told by the Imperial Parliament that it was very good of us, but that we were entering on a crusade which would be entirely barren, and in regard to which we had no power. But these are not the influences which are moving us. Honorable senators, on whatever side of the chamber they may sit, who may have been rather predisposed to support Part VII. of the Bill, know right well that I am speaking correctly. I appeal to those who have been predisposed in favour of these provisions, as well as to others who do me the honour of listening to me, to consider whether this attempt is worth while. I ask them whether they consider such legislation will do any good to the seamen and workers of Australia?

Senator GUTHRIE.—Let them judge.

Senator Sir JOSIAH SYMON.—I ask whether this legislation is not rather for the benefit of the local shipping interests of Australia, and whether we may not, by passing these provisions, become the unconscious tools of those interests? At any rate, I am certain that if Part VII. passes it will be the first step to building up a huge and perhaps a crushing shipping monopoly. It will give the lie to all our professions of commercial love and friendship for the mother land, and will make the civilized world wonder why God in giving Australians the great heritage of this fair country should, at the same time, have bereft them of the most ordinary common sense.

Debate (on motion by Senator PEARCE) adjourned.

House of Representatives.

Wednesday, 13 April, 1904.

Mr. SPEAKER took the chair at 2.30 p.m., and read prayers.

NEW MEMBER.

Mr. SPEAKER.—I have received a return to the writ issued by me on the 15th March last for the election of a member to serve in the House of Representatives for the electoral division of Melbourne, in the State of Victoria, and, by the indorsement upon the writ, it appears that William Robert Nuttall Maloney, Esq., has been duly elected in pursuance thereof.

Mr. MALONEY made and subscribed the oath of allegiance.

PETITION.

Mr. SKENE presented a petition from the Pastoralists' Federal Council of Australia, praying the House not to pass the clause in the Conciliation and Arbitration Bill which provides for giving a preference to unionists.

Petition received and read.

REGISTRATION OF BIRTHS AND DEATHS AT RANDWICK.

Mr. KELLY asked the Postmaster-General, *upon notice*—

1. Whether he is aware that the registration of births and deaths in Randwick, New South Wales, is being carried out by the Post Office officials in that suburb?

2. If so, what arrangement has the Commonwealth Government come to with the State Government for the transaction of this business?

3. Will this practice be continued?

Mr. DEAKIN.—I have been supplied with the following information:—

1. The Postmaster-General is aware that the registration of births and deaths in Randwick, New South Wales, is being carried out by the Post Office officials in that suburb; a similar arrangement exists in many other places in that State, and has been continued from a date prior to Federation.

2. He is not aware that any arrangement has yet been arrived at in connexion with this business.

3. It will be continued for the present, and will be subject to any agreement that may be made in accordance with Sections 37 and 38 of the Commonwealth Public Service Act.

VICTORIAN POSTAL ASSOCIATIONS.

Mr. TUDOR asked the Postmaster-General, *upon notice*—

1. Whether he is aware that the Deputy Postmaster-General of Victoria has refused to recognise associations in his Department, and has declined to forward any communication sent by them to the Postmaster-General, although these associations have been recognised by the Public Service Commissioner, and also by the Postmaster-General?

2. Will he take steps to see that the rights of the men are recognised by the Deputy Postmaster-General?

Mr. DEAKIN.—I have been informed that—

1. The Postmaster-General is not aware that the Deputy Postmaster-General of Victoria has refused to recognise associations in the Postmaster-General's Department when acting within their proper sphere, or that he has declined to forward any communications that have been regularly submitted and properly expressed. It is understood that a communication contravening Public Service Regulation 38 has been received by the Deputy Postmaster-General, but has not been sent forward to the Postmaster-General. No appeal has, however, been made to the Postmaster-General as to any action of the Deputy Postmaster-General in connexion with these matters by any association or officer.

2. If it is alleged that the rights of the men are infringed, the Postmaster-General will consider any representations in that regard which may be made to him through the proper channel.

MAILS BETWEEN AUSTRALIA AND GREAT BRITAIN.

Mr. R. EDWARDS asked the Postmaster-General, *upon notice*—

1. In view of the fact that the present contract for carrying mails between Australia and Great Britain will terminate in January, what action does he propose to take in order to secure the prompt and regular exchange of mails between the Commonwealth and Great Britain after the expiration of the present contract?

2. On what basis did he make his calculations of the cost of transmitting mail matter to England at poundage rates?

3. Will he give the House the details of these calculations?

Mr. DEAKIN.—On behalf of my honorable colleague, I have to say—

1. In order to secure the prompt and regular exchange of mails between the Commonwealth and Great Britain after the expiration of the present contract, the Postmaster-General proposes to favorably consider any proposals that may be made for a suitable contract, to alternate with the contract entered into by the Government of Great Britain, for a continuance of the existing fortnightly service at present being carried out by the P. and O. Company; or failing such a proposal, to make, as the only alternative, the best arrangement possible for the carriage of the mails by suitable steamers leaving Australia, in

accordance with the provisions of the Postal Union and the power given by the Post and Telegraph Act.

2. On the basis of statements of the actual weight of the articles contained in mails from Australia during the quarter which ended on the 30th November, 1903, and of the rates prescribed by the Postal Union Convention for sea transit on steamers under contract, and also for territorial transit through Italy and France by both ordinary and special trains.

3. Yes, when the subject is ripe for discussion.

IMPORTS FROM AND EXPORTS TO CANADA, SOUTH AFRICA, NEW ZEALAND, FIJI, AND NEW HEBRIDES.

Motion (by Mr. G. B. EDWARDS) agreed to—

That a return be laid upon the table of the House, showing separately the imports from and the exports to (1) the Dominion of Canada, (2) the South African Colonies, (3) New Zealand, (4) Fiji, and (5) the New Hebrides, distinguishing as far as possible the class of goods or products, for the years 1902 and 1903.

PAPERS.

MINISTERS laid upon the table the following papers:—

Regulations under the Post and Telegraph Act for the use of subscribers telephones by the public; addition to regulation as to "Reply pre-paid telegrams"; new regulation, No. 21, as to Money Orders, dated 18th December, 1903.

Transfers of amounts approved by the Governor-General in Council, financial year 1903-4, dated 24th March, under the Audit Act.

Provisional regulation, No. 8, as to ballot-box for postal votes, dated 22nd March, under the Electoral Act.

The CLERK laid upon the table the following papers:—

Return to an order of the House, dated 18th March, as to Foreign Immigrants and Emigrants during the year 1903.

Return to an order of the House, dated 13th April, showing the imports from and exports to Canada, South Africa, New Zealand, Fiji, and New Hebrides.

CONCILIATION AND ARBITRATION BILL.

SECOND READING.

Debate resumed from 22nd March (*vide* page 790) on motion by Mr. DEAKIN—

That the Bill be now read a second time.

Mr. GLYNN (Angas).—I have a full appreciation of the motives of those who support this Bill. I believe they are inspired by a desire to apply humanitarian principles to the relations of capital and labour. But I hope that they will credit

some of us who are opposed to the Bill with an equal desire, and acknowledge that though we may differ as to the methods to accomplish the end, at the same time we are actuated by an ideal which we hold in common. In his excellent speech, the Prime Minister stated that—

There is an urgent and burning need for the passing of this legislation.

When I consider the limited scope of the provision in the Constitution, I cannot agree with my honorable and learned friend that there does exist any very imperative necessity for immediate legislation. In fact, he himself mentioned that the scope of the Bill is limited at the very outset when he said that the cases to come under its provisions may be numerous or may be extremely few. He told us that the Bill was drawn up on the most comprehensive lines—that, in other words, it was drawn up on the principle of covering anything which could possibly fall within its provisions. At the same time, honorable members must have noticed that the opinion of the Attorney-General of last year, and of the Prime Minister of this year, are somewhat different as to the cases which are likely to come within the constitutional provision, because we were told in the second reading speech this year that there could be no sympathetic strike, and that before jurisdiction could arise the dispute must extend beyond the limits of one State. I merely mention that now as a qualification of the statement of the Prime Minister as to the urgency for the passage of this measure. But when honorable members bear in mind that there has been no strike within the last eight or ten years, which, by common acknowledgment, could come within the limits of the Bill, they will see that there is no pressing need for its passing.

Mr. HUTCHISON.—We had the shearers' strike of last year.

Mr. GLYNN.—That is the only one, and I doubt if it could be brought under the provisions of the Bill. For the present let us acknowledge that it could. The maritime strike of 1890 could undoubtedly be adjudicated upon by the Federal tribunal. We have the maritime strike of 1890, the shearers' strike of, I think, 1894, and the shearers' strike of last year, and it is open to question whether the Bill can constitutionally extend to the settlement of any disputes except maritime or shearing disputes. Even as regards the latter, as I

think I can show, an extreme doubt exists. Let us exercise patience. Let us await the result of State experiments. We should remember that it was only in 1894 that the principle of compulsion was applied by the passing of the New Zealand Act. The Western Australian Act was passed in 1900, and the New South Wales Act was only placed on the statute-book in 1901, so that there has really been no opportunity of testing the principle of compulsory conciliation, even within the States, up to the present. I know that in New Zealand some disputes, which had been agitating capital and labour for some years, were settled under the Act. There was the dispute in the shoemakers' trade, and I think the tailoresses' dispute was settled; but it does not for a moment follow that it could not have been settled on the voluntary principle. However, we should credit the law with the settlement of that dispute. What I would insist upon is that the principle of compulsory arbitration has never been tested on a falling market. Up to the present time the awards have been in the direction of an increase of wages, justified by the strength of industrial conditions in New Zealand. But neither in New Zealand nor in New South Wales, nor anywhere else, has a compulsory adjustment of the relations between capital and labour been tested by a fall, under an award of the Court, in the rate of wages except in one case in New South Wales, which does not tell in favour of the introduction of the compulsory principle.

Mr. WATKINS.—Yes, it does.

Mr. GLYNN.—Perhaps so; but I doubt it. At all events, the men, for one reason or another, refused to abide by the award as given. They took a technical objection to the application of the provision, and thus morally dissented from the award. It is also worth bearing in mind that even the New Zealand Act of 1894 has been amended no less than eight times, showing that even the machinery of the law is still open to very serious criticism from the point of view of its efficacy. It all points in this direction: that, considering the very limited jurisdiction vested by the Constitution in this Parliament, we ought not to be in too great haste to add this additional tribunal to the administrative machinery of Australia. There was a report by Judge Backhouse on the New Zealand system. He stated that the Act has, to some extent, been strained from its ori-

ginal purpose; that instead of being as it was intended to be, an Act for the adjustment of disputes, it is really one for the regulation of the rate of wages. I would ask honorable members, in discussing this question, to endeavour as much as possible to keep their minds clear of mere matters of prejudice. There has been too great an inclination, both in the House and in the press, to separate parties on this Bill into those who are called socialists and those who are called anti-socialists. But I hold that the principle of individualism and socialism is not raised by its provisions—that we can still have a very large sympathy with many of the aspirations of true socialists while standing in opposition to the measure. I regard the aim of socialism as an exceedingly commendable one; it is really to raise the lot of the working classes, whatever may be said as to the efficacy of the methods adopted. Some years ago John Stuart Mill, viewing the conditions of the time, said, in his book upon Political Economy—

If the bulk of the human race remains as at present, drudging from early morning till late at night for bare necessities, and with all the intellectual and moral deficiencies which that implies, I know not what there is which should make a person of any capacity of reason concern himself about the decline of the human race.

I acknowledge that the aim of the socialist is to put a stop to a state of affairs then commented upon by such a great writer. It is just as well, perhaps, that capital itself should be a little modest in approaching this question. There is too great an inclination on the part of capitalists to regard capital as the only essential element in production. We know that in the ultimate analysis the only essential element is really labour, and that if the accumulated wealth of the world were swept away to-morrow, there would remain in labour the power to re-create and restore. In fact, we all must agree that if the aims of socialists, as regards the position of labour, were realized, the rewards of labour would be still far short of the ideal conditions which we would all help to attain. I merely refer to these things to avoid the prejudice which is raised by putting what I consider to be a false issue in connexion with this Bill—as if the socialists, as they are called, were arrayed on the one side, and the rampant individualists on the other. I believe that there is room for the exercise of common sense and moderation between the two extremes. I hold that the question

that is really put in issue by the Bill is not the settlement of disputes by force or by strikes, as distinguished from their adjustment by conciliation, but that of the efficacy of the voluntary as against the compulsory method. We are seeking, in our impatience, not to apply the compulsion of law to the settlement of industrial disputes so much as to at once place upon our statute-book a premature declaration of the inefficacy of the voluntary method. I further submit that if we are driven to compulsion the matter lies in the sphere of the States rather than the Federation. The widest jurisdiction still rests with the States.

Mr. DEAKIN.—The widest?

Mr. GLYNN.—Yes; the widest jurisdiction rests with the States in regard to the compulsory settlement of industrial disputes. As I have before remarked, and as the Attorney-General is beginning to recognise, the sphere of the Federation in regard to this matter is particularly limited by the Constitution. As to my statement that the voluntary principle has not yet received a fair trial, may I, without at all repeating what I said last year, refer to the position of affairs in America and the United Kingdom. I shall first refer to the case of the United Kingdom, and in giving an outline of what is occurring there shall as much as possible rely upon the evidence of American experts. In dealing with the American position I shall refer to the reports of English experts. We must bear in mind that the first condition of successful conciliation is organization, and that effective organization was impossible in England until the amendment of the laws regarding conspiracy in 1873. It is from about 1870 that we have to date the beginnings of the acknowledged success of the voluntary principle in the United Kingdom. In 1866 the first experiment was tried in the hosiery trade, by the Honorable Mr. Mundella, and in 1866, when one of the Arbitration Bills that failed in England, was under discussion in the House of Commons, Mr. Mundella said that from the time of the first organization of a conciliation board in his trade there had been no strikes.

Mr. MAUGER.—In that case there was a strong trades union that made the findings of the Board as powerful as if there were a law.

Mr. GLYNN.—I do not propose to discuss that aspect of the matter. I am merely dealing with public statements of experts. Now let us refer to the case of the iron trade,

which is perhaps the largest in the United Kingdom. The net output of that trade last year was valued at £130,000,000. In 1866 there was a most disastrous strike of the iron workers in the North of England. The works were shut down for six months, and one of the results was that Sir Donald Dale founded the Northern Conciliation and Arbitration Board, whose jurisdiction now extends over five counties, and which has branches in Wales, as well as other affiliated bodies, which, although they are not bound by its rules, morally accept the awards given by the Board. The establishment of the Board referred to was followed by the constitution of the Midland Iron and Steel Wages Board in 1872. Mr. David Jones, one of the secretaries of the Midland Iron and Steel Wages Board, in a lecture delivered on the 30th October, 1902, says that—

Amidst all the labour troubles of the last thirty years our method of treating the relations of employers and their operatives has proved successful, not a single strike having occurred during that time.

The Board has jurisdiction over works in no less than seven counties. Under the method followed resort is first had to conciliation, which generally succeeds, and renders it unnecessary to arbitrate. The Board of Conciliation is composed of thirteen representatives of labour and an equal number of representatives of employers. As a general rule the wages are adjusted from month to month upon a sliding scale, which moves upwards or downwards according to the prices of the manufactured article. Here we have an admirable example of the successful working of the voluntary principle, because we find a Board, having a jurisdiction over not less than 200,000 employés, successfully settling all disputes without resort to compulsion. The Durham Miners' Association affords another example of the success of the voluntary principle. That association has 192 branches, and exercises jurisdiction over 90,000 workmen. The Board consists of thirty-six members, eighteen of whom represent employers, and the remainder the employés. In ninety-nine cases out of 100 conciliation is successful in settling disputes or adjusting claims made by either party.

Mr. HUTCHISON.—That is providing that the parties can be induced to conciliate.

Mr. GLYNN.—They do so in the cases to which I have referred. These show that, by being temperate and bringing common-sense and honesty to bear, all disputes may be settled on the voluntary principle.

Mr. HUTCHISON.—But how are we to induce the parties to submit to conciliation?

Mr. GLYNN.—By persuading politicians to leave them alone. Surely we can do what has been done in England. The spirit displayed by the English employers and workmen, which has resulted so successfully, may be relied upon to prove equally efficacious here if we are not too impatient, and do not impose compulsory conditions upon the parties. Surely by travelling 13,000 miles across the seas we have not lost the benefit of our hereditary training.

Mr. HUTCHISON.—We had a Boot Trade Board in South Australia; but it is no longer in existence.

Mr. GLYNN.—I know the reason of that; but I do not propose to allow reference to generalities to upset what I consider to be particular arguments. In connexion with the Durham Miners' Association, there is an Arbitration Board which is seldom called into operation. Lord Davey is the President of the Board, and two cases may be mentioned which came before him for adjudication. One of these in 1895 arose out of an appeal by, I think, the workers, whose wages were actually reduced by the award. In the other case a demand was made for a holiday, and the decision was given against the employers. In both instances the awards were religiously observed. If honorable members wish to know the reason for this, I may refer them to a paper published in the *Bulletin* of the Bureau of Labour of the United States, in January, 1904. An expert named Maurice Low was sent to England to report upon the conditions there, and the results of his observations were published *in extenso* in the *Bulletin* of January last. He says:—

The awards are obeyed because in advance both sides have acquiesced in the finding, whatever it may be. In short, it is a beautiful example of all law in a highly civilized state of society depending for its enforcement upon the consent of the governed.

As a matter of fact, nine-tenths of the relations of daily life are settled without the aid of the law. We submit ourselves to "the soft collar of social esteem."

Mr. MAUGER.—Surely the honorable and learned member would not, on that ground, argue that there should be no law?

Mr. GLYNN.—The honorable member surely does not do me the injustice of supposing that that is the inference to be drawn from my arguments. What I do say is that where social order can be main-

tained upon the voluntary principle, where common sense, public opinion, and social esteem are sufficiently strong to enable us to dispense with legislation, we should not like the lower civilizations, develop a system of regulation by law.

Mr. WATKINS.—What would the honorable and learned member do in case of a refusal by either party to a dispute to abide by an award made under the voluntary system?

Mr. GLYNN.—I am not discussing that matter at the present time. I am merely endeavouring to prove that the voluntary principle has been a success—

Mr. WATKINS.—It has not been successful in Australia.

Mr. GLYNN.—Has it been fairly tried?

Mr. WATKINS.—Yes.

Mr. GLYNN.—I doubt it. As I have previously pointed out, organization, even in England, is of quite recent origin.

Mr. WATKINS.—In New South Wales the principle of voluntary arbitration was tried for years in the case of certain industries.

Mr. GLYNN.—But the honorable member knows that even ten years ago the principles of unionism were practically banned by the law. Were not prosecutions instituted in Broken Hill as the result on the whole of the legitimate development of unionism? Indeed, the old oppressive spirit has not yet entirely disappeared from Australia. It is disappearing gradually, but it takes more than a generation to attain those conditions which will yet establish themselves, and which form the very basis of the success of the voluntary principle. It may be said—it was stated last year—that we still have strikes in England. But I would point out that within the last ten or fifteen years every large strike in the United Kingdom has been followed by the formation of a Conciliation Board, having for its object the prevention of its repetition. Take the case of the engineers' strike of 1897 as an example. That strike affected no less than 27,000 men. It was followed by the ratification of an agreement between the parties to the dispute, under which all future differences are to be referred to a voluntary Board of Conciliation, and I do not think there has been a strike since 1897. Another instance is provided by the great dockers' strike of 1889. That was followed by the formation of the London Labour Conciliation and Arbitration Board, which contains representatives of the Chamber of Commerce and of

twelve groups of London trades. Practically all disputes within the jurisdiction of the London County Council are now settled by this board. Take still another great trade—the boilermakers, and the iron and steel shipbuilding trade. That organization has not been involved in a strike during the past twenty years, although about 97 per cent. of all the workers have voluntarily placed themselves under the jurisdiction of a board. Does not that indicate a greater measure of success than the Prime Minister has shown to have followed the operation of the New Zealand Act of 1894? In England the workers voluntarily place themselves under the jurisdiction of the Board, whereas in New Zealand we find that the number of unionists has not kept pace with the increase in the number of workers. Although the whole principle underlying the New Zealand Act is to force the workers to join the trades unions, we find that they display reluctance to do so, whereas in England 97 per cent. of them have joined those organizations voluntarily. In 1902, 678 claims which never reached the stage of disputes were settled in England by 57 voluntary boards. There were 442 disputes, affecting 256,000 workers, and of these disputes only three were followed by strikes. Surely that is an indication of the growing success of the voluntary principle in the old country.

Mr. MAUGER.—The honorable and learned member is referring to the disputes which came under the notice of those boards.

Mr. GLYNN.—I say that in England there were 442 disputes altogether.

Mr. MAUGER.—The honorable and learned member is wrong.

Mr. GLYNN.—I do not think so. If I am, the honorable member can correct me. I repeat that there were 256,000 persons affected by 442 disputes, and in any case the fact that only three resulted in strikes, attests the success of the voluntary system, there being no law against a strike.

Mr. MAUGER.—The honorable and learned member will find that the cases to which he refers are those in which the parties to disputes voluntarily agreed to submit their differences to Conciliation Boards.

Mr. GLYNN.—I do not think so. At any rate, 678 cases never reached the stage of "disputes," and I think that these claims cover all that were made in England. In that country the voluntary system has been pioneered. America is about twenty-five

years behind England in this respect. In the mother country the voluntary system was opposed at every step by law, prejudice, and lack of sympathy on the part of public opinion. Nothing is a finer subject for contemplation, or more inspiring to those who hope for and believe in the possibility of a higher social state, than the steady, unflinching march of the masses, against the obstacles of law and privilege, towards a recognition of their claims to fair conditions of remuneration and hours of labour, and to some share in the control of public affairs. But that march was conducted against opposition—opposition which is still potent in America. The law which is operative there may be quite as liberal as is that of England; but, as we know, the machinery of government in America is more often brought into operation to suppress combinations and unions than it is in the old country. As a matter of fact, those amenities which soften the relations between employer and employé exist to a very small extent in America. There, capital is more callous and insensible to the welfare of the working classes. This results from the fact that to a large extent the trust system controls the operations of labour. Thus, if we find very many instances of social unrest in America, we must remember that the system of "cornering" markets has made employment there exceedingly fitful, and the result of course is a popular discontent, all aggravating the still unsettled relations between capital and labour, and preventing that degree of success which has been attained in England under the voluntary principle. Nevertheless, events are shaping themselves fairly well there. In the report of Mr. John B. McPherson—a report which appears in the *Bulletin* of the Department of Labour for May, 1900, and which deals with the working of the English system—we find the following:—

Notwithstanding the severity of some great strikes in England, and the reputed success of the compulsory law in New Zealand, the writer could find little or no sentiment favouring arbitration by means of a Statute.

Mr. DEAKIN.—Who is Mr. McPherson?

Mr. GLYNN.—He seems to be an expert, because his report in the publication to which I have referred, and which is issued by the Government, covers, if I remember aright, some 70 or 80 pages. He states in the preface to his report that he

went to England to examine the voluntary system.

Mr. DEAKIN.—I am informed that he is secretary to the Bureau.

Mr. GLYNN.—That fact in itself proves that he is an authority upon the subject. He goes on to say—

All previous legislation in respect to labour and wages has been ineffectual, and the opinion expressed more than twenty years ago by Mr. Compton that "the law and our tribunals, admirable and worthy of veneration as they often are, cannot be the means of reconciling capital and labour," finds as nearly a response as when first written. The prevailing opinion among employers and employed favours conciliation first, arbitration rather than a strike, and then a referee or umpire, to whom appeal can be made for final decision and settlement.

Another reason of the want of success in America is that unionism there is almost in its infancy. The Prime Minister, in moving the second reading of the Bill, referred to an article in *Harper's Weekly* denouncing unionism. But we had a similar state of affairs in England twenty years ago. It is nothing more than the reprisals of capital at being collared.

Mr. MAUGER.—The article refers to only some portions of the United States of America.

Mr. DEAKIN.—To New York.

Mr. MAUGER.—In other parts of the United States of America the unions are strong, and are recognised.

Mr. GLYNN.—Still they are in a militant stage, and the bitterness of capital appears to be very pronounced. When we come to look at what has been done in England we must see that people of the same blood and traditions in America are likely to make a great success of unionism there. I read an article the other day by Mr. Richard Bell, M.P., who is secretary of one of the biggest railway organizations in England, and who points hopefully to the possibilities of unionism in America. He states that in England it has shortened the hours of labour, increased the wages of the workers, bettered their social conditions, and improved the standard of the workers generally. Dealing with the question of social order, he points out that no less than nine out of ten of the labour leaders are teetotallers. In proof of my contention that the want of success of conciliation in America, to which the Prime Minister referred, is due to the imperfections of the organizations there, and to the antipathy of capital and law towards unionism, I shall

quote from an article by another American, Mr. Maurice Low.

Mr. MAUGER.—He is hardly an authority on labour.

Mr. DEAKIN.—He is a publicist, and a good authority on any subject.

Mr. GLYNN.—He has written on this question, and he points out that—

Viewing the present condition of trades unionism in the United States in the light of the history of the movement in Great Britain, the men whose opinions are here presented, believe that, in the United States, trades unionism has not yet advanced to the high level it now occupies in Great Britain. This is one reason why, in their opinion, the relations between capital and labour in America are not so cordial as in England; it also explains why strikes in America are more common than in England, and are carried with greater bitterness on both sides.

But, nevertheless, conciliation has attained a very considerable degree of success in the United States. The British Iron Commission of 1902, reporting upon the position there, states that the bulk of the disputes are now settled by conferences between employers and employes—by meetings between organization and organization, and by industrial agreements, extending, in some cases, over several States. I would, therefore, put it to honorable members whether, in the two great English-speaking communities, we have not evidence of such a success of the method of adjustment of trade disputes, without law, as to call for the display of a little patience in Australia, and for the postponement of the proposal to add another tribunal to the already over-weighted Federal and State machinery of the Commonwealth. On the whole, unionism in the United Kingdom has successfully modified the relations of capital and labour. When it can clearly be shown to have failed, then, and only then, does the necessity for legislative interference arise, and, when we do interfere, our interference ought to be strictly limited to the proved necessity. I have mentioned that the Bill is framed to cover every possible case that can be assigned to the Federal jurisdiction. It is designed, indeed, to cover not only every acknowledged but every doubtful case. The Prime Minister, in moving the second reading of this Bill, stated, according to *Hansard*, page 776, that—

The scope of this measure provides for all possible contingencies that can be foreseen.

It goes far beyond the necessities.

Mr. DEAKIN.—That has to be determined.

Mr. GLYNN.—The Prime Minister went on to say that we should recognise—

That the cases in which the Federal Court will be called upon to intervene will be those in which—at all events, in some instances—a great industrial conflict has begun, which has passed beyond the bounds and power of any one State.

This shows that the Prime Minister, at all events, in one instance, felt that his statement was having a rather peculiar effect upon the House, and that it was necessary for him to qualify it. I put it to the honorable and learned gentleman, whether he really has not come to the conclusion, since last year, that before the jurisdiction of the Court can arise, a dispute must have extended beyond the limits of any one State—that the identical point claimed in one State must be claimed in another.

Mr. DEAKIN.—That is very probable.

Mr. GLYNN.—And that a mere sympathetic strike in one State to co-operate with strikers in another State, upon a different point, would not be within Federal jurisdiction.

Mr. DEAKIN.—Hear, hear.

Mr. GLYNN.—The Prime Minister indicates, then, that the Federal jurisdiction in these matters is greatly limited. If it is as limited as has been indicated then the Bill is to a great extent a delusion. If it can extend only to maritime matters and perhaps to shearing disputes, where are the great possibilities of social amelioration to flow from the passing of this Bill? In that event it must be to a large extent a delusion, even from the point of view of the working classes, and to the extent that it is not it means that, with a view to obtain benefits which may come from proper organization without law, they are placing themselves under a penal system which, on a falling market, would prove particularly galling. The Bill is full of provisions for the imposition of penalties. Under clause 46 a fine of £10 may be imposed on an individual member of an organization for breach of an award, and if that breach be a wilful one he may be fined £20. Clause 57 provides that, for a breach of an award, the rights of a member under the organization in question may be cancelled. In other words, the benefits which would come to him—the old-age pension, sick pay, and allowance in the case of death—might be abrogated by the disobedience of an award. For the future then, if an employé joins

an organization under this Bill he will be liable to these penalties. Even if he joins an organization which is not under the measure, that organization, without his consent, may be brought under it. The Governor-General has power, on the recommendation of the President of the Board of Conciliation, to proclaim any association as being one coming within the terms of the Bill. It will thus be seen that an employé may join a friendly society—if we choose to call it so—for purposes outside the scope of this Bill, but that that organization may be proclaimed, without his consent, as one coming within this measure. He may then be fined £10 for disobedience of an award of the Court, and £20 for wilful disobedience, while the whole of his benefits as a member of the society may be cancelled. For the mere possibility of benefits to come under this Bill there is to be an immense surrender of independence on the part of the working classes. In addition to this, an employé may, whilst subject to the jurisdiction of the Federal Act, be subject to a State Act. He would have to belong to one organization under the State Act, and to another, with a second set of penalties, under the Commonwealth Act; the jurisdictions are not mutually exclusive. Before the Commonwealth jurisdiction can be exercised, provision has to be made for the forming of organizations, and the same steps have to be taken under States legislation. So that in anticipation of the possibility of a dispute occurring, men will have to join two organizations, with different sets of rules, and will be subject to two Acts, and to a double set of penalties. It could not have been contemplated when the clause now in the Constitution was drafted by the members of the Federal Convention that a Bill of this sort would be introduced, and the extensive powers provided for given, except in a few cases. The real scope of Commonwealth legislation in this matter is limited to maritime and shearing disputes, as to neither of which is there urgency. If the prevention of maritime disputes is a pressing matter, what is to hinder us, as we are about to create an Inter-State Commission to deal with Inter-State commerce, from investing it with jurisdiction for the prevention and settlement of maritime disputes? If the power to regulate rates of freight between State and State is to be vested in that Commission, it will be to some extent

an expert body for the settlement of maritime disputes, and by giving it jurisdiction in that regard a duplication of machinery would be prevented. The section of the Constitution under which the Bill has been introduced speaks of legislation—

For the prevention and settlement of industrial disputes extending beyond the limits of any one State.

My opinion is that those words apply to the settlement of disputes which have extended beyond the limits of a State, and to the prevention, by anticipatory penalties, of their extension. They do not give power to the Commonwealth to interfere before the limits of State jurisdiction have really been passed; they merely give power to this Parliament to frame a set of laws which will become operative the moment a dispute has extended beyond the borders of a State. We are not to go into the field of State jurisdiction, and say, "We will take charge of the settlement of this dispute, lest it extend beyond the borders of the State." The moment a dispute extends beyond the borders of any one State, it is the province of the Commonwealth to interfere, but it was never contemplated by the members of the Convention that a sympathetic strike—a contention which has now been abandoned—should give jurisdiction to the Commonwealth, that if a strike of the members of an organization having a branch in another State took place in one State, it would give jurisdiction to the Commonwealth to interfere for the settlement of the dispute. The provision in the Constitution was introduced merely to cover a gap, to create a power which was not possessed by the States. It is a power required in connexion with the settlement of maritime and shearing disputes, but it does not cover 95 per cent. of the disputes which honorable members appear to think fall within the province of Commonwealth legislation. The scope of the Bill is limited to the cases I have put. If the Commonwealth is to step in to settle a State dispute for fear it will extend beyond the limits of the State, the State will have no sphere of jurisdiction in industrial matters left, because every dispute may extend beyond the limits of the State in which it occurs, though, in many cases, the possibility of extension may be very small.

Mr. HUTCHISON.—If a dispute has extended, the State authority cannot settle it.

Mr. Glynn.

Mr. GLYNN.—When a dispute has extended, the Federal Act will come into play. But the extension of disputes within the meaning of the Constitution will be comparatively rare. For instance, if a strike occurred in the bootmakers' trade in Sydney, and another strike in the same trade occurred in Melbourne, the Commonwealth would not have jurisdiction, because the strike in New South Wales would be capable of settlement by the Arbitration Court there, and the strike in Victoria could be settled under similar local legislation if the members of the State Parliament wished to interfere.

Mr. TUDOR.—But suppose they did not wish to interfere?

Mr. GLYNN.—Interference would still not be within the province of the Commonwealth authority. In many instances, no doubt, the public voice is not obeyed by, or public opinion is not properly represented in Parliament, and there are many things that call for interference by legislation; but it is not the province of the Commonwealth to make good the apathy of the State. I might say something as regards the constitutionality of the extension of these provisions to the States, though personally, I think that a higher ground than mere constitutionality is that of expediency.

Mr. DEAKIN.—A higher ground in this case.

Mr. GLYNN.—Yes. There is the test of expediency and the test of constitutionality. As to the expediency of this proposal, I would remind honorable members that the Federation is still young, and that the time has scarcely yet arrived when its strength should be tested by pushing the powers of the Commonwealth to their extreme limits. We must remember that, perhaps through misunderstanding as much as through mistakes of policy, the enthusiasm with which Federation was resolved upon has somewhat waned, that the Commonwealth has still to acquire the full moral support of popular affection, and that temperance in the exercise of even our undoubted powers is the best way to win the confidence of the States, and to perfect their loyalty to the union. If one might apply an illustration which would come home to most of us, the end of the honeymoon, when the marital relations have lost those early attractions which for a time dulled the sense of diminished individual independence, is not the best time for experiments in the exercise of transferred powers.

The parties to the Federal tie are suffering from the reaction which inevitably follows moments of high tension. The Parliaments of the States, although they still retain the wider sphere of jurisdiction, are undoubtedly conscious of a slight loss of dignity as well as of power. They are still composed largely of men who were members under the old conditions, and who therefore are all the more likely to resent any aggressive advance on our part into the field of doubtful jurisdiction. For these reasons, it seems to me that nothing could be more obnoxious to the States than outside interference with the internal management of any of their great Departments of the Public Service. Nothing except the strongest grounds of necessity and public interest would justify any such interference. Instead of adopting a policy which must prove irritating to the self-respect of the States and be regarded as dangerous to their autonomy, we ought, as the greater body—as the one who should display a special solicitude for the integrity of the union, that, to an extent, can, by legislation, or by the executive, contract or expand the jurisdiction of and determine the personnel of the Court that keeps the parties to the Federation to their respective spheres—to exercise a good deal of tact and delicacy in our relations with the other parties to the Union. I speak as an ardent federalist, as one who believes that the economy which must be effected in the machinery of administration, if the people are not to be crushed beneath its weight, must take the direction of an extension rather than of a contraction of the field of Federal jurisdiction. But when additional power is granted and assumed it must be accompanied by a corresponding responsibility. We can scarcely expect the States to pay the piper when we call the tune. So much as to some general grounds of expediency. But I ask honorable members is it expedient that we should take away from the Railway Commissioners of the States the power to determine the hours of work of their employés, to determine the wages, not only of the day labourers, but the salaries of those who are paid by the month, or by the year? Is it expedient, for instance, that the power which is vested in the Railway Commissioner of South Australia, under its Act of 1887, to prescribe the wages, the duties of the employés, their classification, the method of their compensation, their promotion, should be abrogated and shifted on to a Federal body, which

does not take the corresponding financial responsibility?

Mr. HUTCHISON.—Do we take these powers from them?

Mr. GLYNN.—Undoubtedly we do, if we place the States under the jurisdiction of the Court.

Mr. HUTCHISON. — The Court will merely prescribe the conditions under which a man shall work.

Mr. GLYNN.—It will prescribe the terms of employment, the hours, and the compensation.

Mr. HUTCHISON.—Does the honorable and learned member think that a Court would fix unfair wages?

Mr. GLYNN.—That is not the point. The question is whether it is expedient to hand over the power to do that when the States have not the power to check any mistake made by the Court? I submit that we cannot afford to sever responsibility from power. What is the very essence of the British Constitution? It is that the Parliament shall not tax unless those taxes are represented. Why was it that the masses ultimately succeeded in carrying the principle of adult suffrage? Because the theory is that we tax a man through his daily consumption, that when we place a very heavy levy on ordinary articles of daily use, we must give him representation, and that principle was acknowledged in the expanding suffrage of each State. It is the old principle, the non-recognition of which separated America from England. What was the cause of the quarrel? Taxation without representation. What is representation? The power of the people to control the body which imposes the tax. What honorable members are seeking to do here is to hand over to a Federal body, which the State has no right to control, the power to determine the hours, the pay, and the general conditions of employment of State employés.

Mr. CARPENTER.—In the Court the Railway Commissioners would have representation.

Mr. GLYNN.—There is no special representation provided. The Railway Commissioners will become, for the future, part of an organization. I do not know how they are to become so as a matter of practical working, but it is necessary for the machinery of the Bill that they should. They can be brought in as an organization by proclamation. When honorable members urge that this should be done they are mistaking what a Federation is. It is not a

unitary system. Under a unitary system there is a complete absorption of power and responsibility together. If honorable members wish to have that, it would be fairer to abolish the Federation, and to adopt the unitary system throughout Australia. We were told before we federated that the Federation was to be a union of co-equal States, that the integrity of the States was to be respected in all matters not essential to the efficacy of the Federal power, that power and responsibility were not to be severed. If I may quote from the resolution which preceded the first draft of the Constitution in the Adelaide Convention, the object of our federating was not to limit the power of the States, but—

in order to enlarge the powers of self-government of the people of Australia.

Sir JOHN QUICK.—In matters of common interest.

Mr. GLYNN.—Yes. Is it enlarging the powers of self-government of the States to sever the power of controlling their institutions, at the same time leaving the financial responsibility to them? There is no Federal Constitution under which such powers have been assumed. The German Constitution gives control as to rates, of the management of railways; but it stops short of power over the salaries and conditions of employment of the employés. Now as to the strict constitutionality of the provisions of this Bill. It is said that we have nothing to do with the constitutionality of the Bill, which is a matter that should be left to the decision of the Judiciary. But I would point out that this principle cannot be admitted without some limitation. The Judiciary is, no doubt, the final arbiter as to the limits of our powers; but I submit that in the interests of harmony between the States and the Commonwealth, in the interests of possible litigants, who would have to pay for the solution of these problems, which we so light-heartedly raise, we ought to apply our common sense in testing the constitutionality of the provisions of each Bill, and not to multiply recklessly occasions for litigation. What is the principle of construction? Every power must be shown to be affirmatively granted, and the burden of proof is thrown on those who allege its existence. When the power is found to be granted, it must be liberally exercised. The construction to this extent must be liberal. Not only is that principle applied to the construction of Constitutions

like the American, but it is expressly embodied in our own. Section 107, which deals with the saving of the power of the States Parliaments, reads as follows:—

Every power of the Parliament of a Colony which has become or becomes a State, shall, unless it is by this Constitution exclusively vested in the Parliament of the Commonwealth, or withdrawn from the Parliament of the State, continue as at the establishment of the Commonwealth, or as the admission or establishment of the State, as the case may be.

The express declaration is that, unless the power is clearly granted to the Commonwealth Parliament, it remains with the State. Then the other principle of liberal construction, when a power is acknowledged to be granted, comes in under section 51, sub-section 39, which empowers the Parliament to legislate in respect to all matters which are incidental to the efficacious working of the powers conferred and specified. To say that we can give jurisdiction over the States under the implied powers of the Constitution, is going against all the decisions even in the United Kingdom, where the Crown must be expressly mentioned, and in America, where the States must be expressly mentioned. Besides, a Federal Constitution is different from a Confederal one. Under the Confederal system, the power is over the State as a body. Under the Federal system, the power is over the individual. Under the Federal system there is no power conferred over the State as such. Just after the American War of Secession it was laid down by Chief Justice Chase, in the great case of *Texas v. White*, that—

The Constitution in all its provisions looks to an indestructible union of indestructible States.

What does another great Chief Justice say? In the case of *McCulloch* against *Maryland*, Marshall says:—

To the formation of a League, such as was the Confederation, the State sovereignties were certainly competent; but when, in order to form a more perfect union, it was deemed necessary to change the alliance into an effective government, possessing great and sovereign powers, and acting directly on the people, the necessity of referring it to the people, and of deriving its powers from them, was felt and acknowledged.

Honorable members will notice the reference of Marshall to acting directly on the people. This is the federal principle, viz., to act not on the States, but directly on the units of the population. The fact that that is an essential condition of the Constitution is proved by a reference to the main

powers of our own Constitution. The Constitution is conferred by the people, and when the time for amendment comes we send it back to its source, and ask the people who had granted it to amend it. We do not go to the States Parliaments, because, in our solicitude for the integrity of those bodies, we have advanced a step beyond America by placing the matter entirely beyond their sphere. Here we go directly to the people. Section 128 of the Constitution provides that amendments of the Constitution must be carried by a majority of the people of the States voting together, and by a majority of the electors in the majority of the States. Never is the State as a parliamentary unit called upon. That is the principle laid down in the great speech of Webster, which really gave us the first proper interpretation of the spirit of the American Constitution, and which, in fact, is the charter of true federalism. In his reply to Hayne, in 1830, he said, it is—

The people's Government, made for the people, made by the people, and amenable to the people. But the National Government possesses those powers which, it can be shown, the people have conferred on it, and no more.

If honorable members will look at the American Constitution they will find that, like our own, it expressly places a limit in certain cases upon the powers of the States, thus showing that the abrogation of those State powers could not be implied from the general delegation of powers to the Federation, but must be made in express terms. In other words, State powers, which might be regarded as sovereign, must be expressly negatived. Article 1, of section 10, of the United States Constitution, gives a list of the powers which no longer belong to the States, thus showing that the withdrawal of these powers from the States was not included in the sections analogous to our section 51, which conferred general powers of legislation upon the Federal body. The control of the State as an organization can only be given expressly. As the Prime Minister has pointed out, so jealous is the spirit of federalism regarding the integrity of the States that it has been decided in America that the Federal power of taxation does not extend to State agencies or their instrumentalities. It has been recognised that the possibility of any encroachments upon the States must not be permitted, and that, as a corollary, the States must not interfere with the agencies or instrumentalities

of the Federation. Cooley, in his *Principles of Constitutional Law*, says:—

The very power would take from the States a portion of their intended liberty of independent action within the sphere of their powers, and would constitute to the State a perpetual danger of embarrassment and possible annihilation. The Constitution contemplates no such shackles on State powers, and, by implication, forbids them. Hence it has been decided in America that the Federal authorities cannot tax railways owned by the States. If the power of taxation be denied, the same principle would preclude any interference with the salaries of State officials. We cannot tax, because, if we could do so, we might destroy. The body taxed would have no power of control, because the State is not represented in the Federal Parliament, and by a parity of reasoning we could not interfere to force the States to pay higher emoluments to their servants, because, whilst having to find the funds, they could not apply a corrective. So that, if we analyze the Constitution, or recognise the very essence of the British system of government, we shall find it impossible, while respecting leading principles, to place the States under the jurisdiction of the proposed Conciliation and Arbitration Board. Our power might be tested by the consideration whether we have the necessary machinery to enable us to give effect to the decisions of the Arbitration Court. We cannot issue a mandamus to compel a State to find funds. We have taken away that power, lest, if it existed, it might be exercised. It does not exist under the Judiciary Act. I pressed the Government, when the Judiciary Bill was under consideration, to make provision for enforcing the verdicts of the High Court against the States. All that was done, however, was to provide that the Court should issue a certificate. This would be handed to the Treasurer of the State, who would presumably make provision upon the Estimates for the necessary payments; but there is no power to compel a State Treasurer to follow this course, and the non-existence of any machinery to give effect to the findings of the Arbitration Court shows that the exercise of such a power was never contemplated.

Sir JOHN QUICK.—But the States can be sued only in matters within the judicial power of the Commonwealth.

Mr. GLYNN.—No doubt; and that raises the question whether a mandamus after an award could be granted against a State Government. In

the United States it has been expressly decided that a mandamus cannot be directed to compel a State Government to find funds for any purpose whatever. According to Baker's *Annotated Constitution* it is held that the United States has no jurisdiction to issue a mandamus to the Federal Secretary of the Treasury, commanding him to pay money out of the Treasury over a disputed claim. The same principle applies to the States, and we have here a recognition of the absolute severance of their spheres where representation does not exist as a corrective to abuses of power. I would point out that if we could interfere by means of an Arbitration Court we could interfere by direct legislation. An Arbitration Court is now proposed as a method of settling disputes, but that is not the only means which could be adopted. Our power relates to the settlement of disputes that have extended beyond any one State, and, on the analogy of the States laws by means of arbitration and conciliation. That, however, is not the only method that might be followed. In the beginning of the last century an Act was passed in England to enforce the judgments of the Court by imposing penalties and to render strikes penal. No board was set up in that particular case. Therefore, we might pass a Federal Act which would interfere directly with the conditions of employment in the railway services of the States as a preventive of disputes which might affect more than one State. I do not wish to labour this matter, but to discuss the inexpediency of passing the measure in its present form, and to express my extreme doubt as to its constitutionality. As the general principles of the Constitution are opposed to giving direct control over the States, honorable members ought to hesitate before overloading with doubtful provisions a Bill which might otherwise be acceptable to the majority of honorable members. I desire to refer to the question of the maritime jurisdiction. I notice that the word "industry" is defined as follows:—

"Industry" means business, trade, manufacture, undertaking, calling, service, or employment on land or water.

These words "land or water" were inserted last year, I think, as the last amendment, and it was argued by the Prime Minister and the honorable and learned member for Darling Downs that they or the words for which they were substituted did

not confer all that the right honorable and learned member for Adelaide desired to attain. I hold that they give absolute jurisdiction over all ocean-going vessels under this Bill, and that, no matter what limitation may be placed in the Navigation Bill in regard to excluding Western Australia from the operation of its coasting trade provisions by means of clause 296, these words, unless limited by the Navigation Bill, apply so far as the arbitration award is concerned. The rule, I take it—and I think my position can be established by legal decisions—is that a foreigner is bound by our laws the moment he comes within our jurisdiction. In the case of *Regina v. Keyne*, commonly known as the *Franconia* case, a majority of the Court decided that the limit of English jurisdiction was low water mark, that by the acquiescence of other international Powers, England could have assumed jurisdiction up to the range of cannon shot, or three miles, but that, as no Act had been passed by the Imperial Parliament extending its jurisdiction beyond low water mark, jurisdiction did not exist beyond that point. But the year after that decision was given, an Act was passed which provided that English jurisdiction should always be held to extend to the three miles limit. It was thus rendered certain for the future that that was the limit, and the decision was accompanied by the exercise of a power which was acquiesced in as a matter of international comity. It was laid down then, that the moment a foreigner came within the limits of English jurisdiction he was amenable to all those English laws that were not suspended as a matter of international comity in his favour. None of our maritime laws are suspended except by express enactment in the Merchant Shipping Act in relation to petty matters of internal order when a vessel is in any of our ports. They are not suspended in respect of crimes, wages, or anything of that sort. I hold, therefore, that the moment any British or foreign vessel approaches within three miles of our coast, it will become subject to the jurisdiction of the Arbitration Court, whose award will be binding upon it, notwithstanding any limitations—unless they expressly affect this measure—which may be imposed by the Navigation Bill. Last year the honorable and learned member for Darling Downs, referred to what is known as the "*A B C*" case of 1900, in which the Bankruptcy Court decided that it had no jurisdiction to declare

a foreigner bankrupt. But I would point out that the foreigner in question was not resident in England, otherwise he would have been subject to all our laws. Therefore I do not think the Prime Minister will dispute that this Bill brings within the scope of an award by the Arbitration Court all foreign or ocean-going vessels engaged in the coastal trade.

Mr. DEAKIN.—They are engaged in it subject to the definition.

Mr. GLYNN.—The honorable gentleman does not define the coastal trade as beginning and ending here.

Mr. DEAKIN.—Practically, I think.

Mr. GLYNN.—Does not the Prime Minister say that a vessel which came from London, and shipped goods at Fremantle, intending to land them at Sydney, would be engaging in the coastal trade?

Mr. DEAKIN.—Yes; except within the exemption.

Mr. GLYNN.—The representatives of Western Australia must bear in mind that all vessels coming from Fremantle, which carry passengers or freight, will, as far as this Bill is concerned, be subject to the local award of the Arbitration Court. Now as to the wisdom of the policy of bringing all ocean-going vessels within the scope of this Bill. The Premier of New South Wales stated at a luncheon which was held on the *Yongala*, one of the Adelaide Steamship Company's vessels, on December 30 last, that foreigners ought to be forced by British legislation to reciprocate. I intend to deal with the question of reciprocity presently, because there is really a good deal of misunderstanding as to what foreigners are doing in regard to British trade. What is the Australian trade to be affected by these provisions? Last year Sir Malcolm McEacharn gave us some figures which showed that the value of the Australian coastal trade carried by ocean-going vessels represented only £125,000. out of a total trade of £2,250,000. He also showed that the bulk of that trade is between Western Australia and the eastern States. Out of that £125,000, some £25,000 is represented by freight, and the balance is made up of passenger traffic. The representatives of Western Australia desire that passengers shall not be affected by this Bill. So that, for the sake of interfering with a freight trade of £25,000 annually which is done by ocean-going vessels between Fremantle and the eastern ports, we are asked to introduce harassing provisions which may militate against the large carry-

ing trade enjoyed in foreign waters by the British Empire. But before dealing with that matter I wish to touch upon the question of reciprocity. In four out of seven of the principal foreign countries with overseas possessions, the trade between the home country and its overseas possessions is open to all vessels. In the cases of Germany, Holland, Denmark, Portugal, France, except in the Mediterranean, the trade between the home country and its Colonies is open to the vessels of any registration. As regards the coasting trade, that of Germany, Italy, Sweden, Norway, Denmark, Austria-Hungary, Belgium, and Greece is either open unconditionally or upon terms of reciprocity.

Mr. DEAKIN.—What coasting trade has Austria-Hungary?

Mr. GLYNN.—At any rate, the bulk of the carrying trade is done by British vessels. The question is this: Are we foolish enough, for the sake of £25,000 worth of traffic, which is partly done by foreign-owned vessels in Australian waters, to introduce provisions which may strike at the very large carrying trade which is done by British vessels in foreign waters? Take the trade of the United Kingdom with British possessions. Ninety-one per cent. of the shipping in cargoes, and 76 per cent. of the shipping in ballast, is done by British-owned vessels. Of the vessels engaged in the trade between Colonies and Colonies, 87 per cent. are of British registration. Again, let us look at the colonial coasting trade. The figures in this connexion are not, perhaps, so accurate as they might be, but it has been roughly estimated that 96 per cent. of that trade is done by British vessels. Now let us examine the other position—the trade of foreign countries. Sixty-one per cent. of the trade between the United Kingdom and foreign countries is done by British vessels. If we take the total British tonnage entered and cleared in foreign ports, we find that it represents 106,000,000, whereas the tonnage of foreign vessels entered and cleared in British ports amounts to only 48,600,000 tons. Taking the conclusion of one who may be regarded as an adverse witness—the economist who was specially employed to write up Mr. Chamberlain's policy in the pages of the *Times*—what do we find? In a special article devoted to the shipping trade, he had reluctantly come to the conclusion that, if foreign countries wish to enter upon a game

of reprisals, undoubtedly the mercantile marine of Great Britain affords a noble target. He says that even if subsidies were granted, they would only prove of great benefit to a maximum of 39 per cent. of British shipping, that they would injure 47 per cent., and would have little effect on 14 per cent. This leaves out of account possible retaliation by other governments in the form of tonnage dues. I again seriously ask honorable members why we, as a part of a noble Empire, which has hitherto ignored the petty reprisals of other countries—whose trade has attained the enormous dimensions of nearly £950,000,000, which does the bulk of the carrying trade of the world—should, for the sake of preventing foreigners taking £25,000 worth of a trade of £2,250,000, enter upon a policy of pin-pricks that may be disastrous to the Empire as a whole? It seems to me to be pushing pedantic adherence to principles to the most absurd limits. I shall not further trespass on the patience of honorable members, beyond saying that, in my opinion, this measure is one which might very well wait for the experience of the States, whose legislation, as I have endeavoured to prove, we can but to a slight extent supersede, and may not for years be required to supplement. Federal interference, as long as the principle of voluntary adjustment, and even State compulsion has not been shown to have failed, is not called for, and, on the whole, it is not the province of a Legislature to anticipate every possible contingency, or to set up complex political machinery against evils that may never arise. The Bill, even as now drafted, goes far beyond the powers contemplated by the members of the Federal Convention; but if its provisions be amended so as to restrict local autonomy by transferring to a board of three business amateurs the control of a very considerable part of the Public Service of the States, I can only say that public confidence in the Commonwealth will be somewhat rudely shaken at a most critical period of our Federal growth.

Mr. ROBINSON (Wannon).—I am one of the minority in this House who are opposed, lock, stock, and barrel, to this Bill; and I have, therefore, risen to state my objections as briefly as possible before the division on the second reading takes place. I take it that industrial legislation is yet in a very experimental stage, and that the experience we have gained in the Australian States is not sufficient to warrant the Fed-

eral Parliament legislating in the wholesale way proposed in the measure now before us. The remark made by the honorable and learned member for Angas, that the Bill goes to lengths which were never dreamt of by the founders of the Constitution, will be amply verified by those who take the trouble to peruse the debates of the Convention in relation to this question. I find, on referring to them, that there was a distinct consensus of opinion on the part of the members of the present Federal Ministry, that proposals of the kind now before us were of a highly experimental character, and that such legislation should not be entered upon by the Federation, if at all, until many years had elapsed. For instance, at page 203 of the debates of the Melbourne sittings of the Convention, the present Prime Minister is reported to have said—

I do not regard the proposal—

that is, the proposed addition of the clause in the Constitution giving us the power to legislate upon this subject—

as a form of idle words, or as conferring a power that is to be allowed to remain unused. At the same time this is a power, like many others, not likely to be exercised by the Federal Parliament for many years to come. The Federal Parliament will be impressed by the importance of the experiments that are proceeding in the States. It will watch them carefully, and will deal with the subject as soon as it feels it is competent to do so.

Mr. TUDOR.—That is why we are dealing with it now.

Mr. ROBINSON.—Quite so. Instead of carefully watching the experiments of the States the first Federal Government embodied this proposal in the famous Maitland manifesto—before the Federal Parliament had had an opportunity to watch anything, as it had not even been elected. This Parliament is now asked to proceed to experiments in legislation which at the time of the Convention were unthought of by the members of the present Federal Government, and which, I venture to say, would not be undertaken now but for the peculiar constitution of the Federal Legislature in the first and second Parliaments. I find, also, that other members of this Government took up an even more extreme attitude than that of the present Prime Minister. Mr. O'Connor, who was at one time a member of this Government, and leader of the Senate, stated that he based his opposition to the insertion of the clause in question in the Federal Constitution upon one ground only,

namely, that it was a matter not for Federal control, but for State control. The late Prime Minister, Sir Edmund Barton, took up the same position. He said that this was not a question for Federal legislation, and, therefore, he would oppose the Federal Parliament having power to deal with it. That is the position that I take up. I contend that the question before us is one with which members of the State Legislatures are far more in touch than are the members of this Parliament. Their constituencies are smaller than ours, and their daily work as members of Parliament brings them into closer contact with industrial interests. They are, therefore, better able to determine questions relating to industrial legislation than are members of the Federal Parliament, elected to deal with only wide, national questions.

Mr. DEAKIN.—What about a dispute that extends beyond the limits of any one State?

Mr. ROBINSON.—Under that guise an effort may and will be made to bring every kind of dispute under this Bill.

Mr. SKENE.—That is the worst feature of the Bill.

Mr. ROBINSON.—Yes. It is a deliberate attempt on the part of the framers of the Bill to bring within its provisions every trade and industry, no matter how small or slight it may be. The only exception is in the case of domestic servants. For the first time in the history of any Australian Parliament the whole of the farming industry is to be brought at one swoop under legislation of this kind. Not in any State of Australia, nor in New Zealand, has any Parliament attempted to deal with such a proposal, but if this Bill be carried the farmers of Australia will stand in peril of having their hours of labour laid down for them, and the wages which they are to pay their sons and other employes specified. They will be bound hand and foot to carry out what a certain Court of Arbitration compels them to do. Farming is an industry which cannot be carried on under such a system, and I feel satisfied that the great majority of representatives of farming districts are with me in this contention. In order that the opinion of the House in regard to this phase of the question may be obtained at the proper time by means of a fair and square division, I have given notice of an amendment to exempt the farming industry from the provisions of the

Bill. I am not satisfied that the principle of conciliation and arbitration is better than the principle adopted in the Victorian Factories Act.

Mr. TUDOR.—Under which men who join the wages boards may be dismissed by the employers.

Mr. ROBINSON.—I have no particular love for the Victorian Factories Act, or for the wages board provisions, but I think them a lesser evil than the provisions of this Bill. If a dispute is to be settled by force of law, I think it far better that those who settle it shall be men elected, as under the Victorian Factories Act, by the employers and employes concerned, and shall choose their own chairman, than that it shall be dealt with by a Court. That arrangement is far more likely to lead to satisfactory results than is the arrangement provided for in the Bill. Where the interference of a Court is provided for, there is always an undue tendency to bring trivial matters before the tribunal. A few days ago, the people of Sydney were plunged in sorrow, because it was doubtful whether they would be able to obtain hot cross buns on the morning of Good Friday, and an application was actually made to the New South Wales Arbitration Court for a direction as to whether the buns could be delivered. One has only to look at the list of cases to see how the Arbitration Act has been ridden to death there, the valuable time of the Court being taken up by trivial disputes such as I have mentioned; and the same thing would occur under the Commonwealth Act. Those who have been working under satisfactory conditions, without complaint, for many years, will say—"Let us have a shot at our employers by making a claim for higher wages. If we lose our case, we shall not be worse off than we are now, while, on the other hand, we may gain something." Universal testimony goes to show that that is what has happened in New South Wales, and will happen throughout Australia if the proposed Bill is passed. In dealing with this question, we are, to a large extent, passing legislation which will overlap the legislation of the States, and as State legislation on the subject must be more satisfactory to both masters and to men, the power of the States to legislate upon it should remain unimpaired. If we pass this Bill, the employer of labour, notwithstanding the old proverb that no man can serve two masters, will be compelled to do so, and when

he is in doubt as to which he must obey, the only certain way of settling his difficulty will be by appealing to the Law Courts. That is not the position in which employers of labour should be placed. I think that this subject should be left to the Parliaments of the States, and that we should not interfere in regard to it.

Mr. DEAKIN.—How would the honorable and learned member provide for the settlement of disputes extending beyond the limits of a State?

Mr. ROBINSON.—If there were a dispute in New South Wales, and another dispute in Victoria, the New South Wales dispute could be settled by the New South Wales Arbitration Court, while the Victorian dispute could be dealt with under the provisions of the Factories Acts.

Mr. TUDOR.—Disputes in some trades could not be dealt with by Victorian legislation.

Mr. ROBINSON.—The farming industry is exempt from the Victorian Act, and I hope that we shall not bring it under this Bill.

Mr. TUDOR.—Disputes in the building trades could not be settled under the Victorian legislation.

Mr. ROBINSON.—I have now a word to say in regard to the proposal to apply the provisions of the measure to public servants. I feel that that proposal is an unwarranted interference with the rights of the States, and that the High Court, if appealed to, will declare it unconstitutional. Therefore, I see no reason why the Bill should be amended so as to make its provisions apply to the public servants of the States. However, I regard with less trepidation than do other honorable members a possible crisis in connexion with this particular matter, because anything which delays the passing of the Bill, and gives those of us who are opposed to it more breathing space, is something for which we have cause to be thankful. I am certain, from what I know of the Prime Minister, that if the Bill is made to apply to public servants its passing will be delayed. If, however, its provisions are made to apply to public servants, I hope that the constitutionality of that proceeding will be referred to the High Court at the earliest possible moment. I feel confident that the Court will declare the provision unconstitutional. I shall support the Government in regard to this matter, not because I love them more, but because I like the proposal of the labour

party less. As the leader of the Government, and the Government organ in Victoria, have been lecturing the members of the Opposition upon the attitude which they should assume in connexion with the Bill, I suggest that they might do better if they turned their attention to the attitude of Government supporters, and left the members of the Opposition to do what they conceive to be their duty to the country. On looking up the division list of last session, I have found that if the so-called supporters of the Government had stuck to their leaders, this proposal would have been defeated by nine votes, and this Parliament would have been saved from the introduction of the measure at this particular time. It surely would be a grateful task for the Prime Minister, or the Minister for Trade and Customs, to persuade that eminently tractable individual, the right honorable member for Adelaide, to reconsider his position, while the honorable and learned member for Northern Melbourne, who is known to be always open to reason, might be asked to do the same. The honorable member for Melbourne Ports is in a dilemma, between the wishes of his constituents and his own desire to support the Government; but no doubt if the Prime Minister turns his attention to him, good may be done, while steps might be taken to render the position of other members of the party, who previously deserted the Government, somewhat different on this occasion. We, on this side, who will vote for the Government, will do so without any shadow of reluctance. We shall resist the proposal of the labour party, because we regard it as an infringement of State rights, and, therefore, unconstitutional, and we shall support the Government because they will be doing what is right. I hope that the Prime Minister, if the amendment be carried, will adhere to the intention which he has already expressed. By doing so, he will be acting honorably towards the country, and the people will think more of him. If it is to be a case of "To your tents, O Israel," the sooner we go the better. But the dissolution of one branch of the Legislature alone will have little effect in securing the permanent settlement of this question. It is only by a double dissolution that a clear and definite expression of public opinion upon the question can be secured. If a majority be returned to this House ready to support the attitude taken by the Government, it will mean, I hope, that the

measure will be hung up for some years to come. Anything that will tend to delay its passing will have my hearty support and approval.

Mr. HUME COOK (Bourke). — The honorable and learned member for Wannon does not make any secret of his intention respecting this measure. To quote his own words, he is opposed to it "lock, stock, and barrel." I am happy to say that that is not my position. Although I find myself in somewhat of a difficulty respecting action which it is proposed to take in connexion with the measure, and have therefore risen to say something on this occasion, when otherwise I might have remained silent, I hope that, whatever may be the fate of the amendment for including public servants, we shall have an Arbitration Act of some sort placed upon the statute-book. I think that it is necessary to industrial peace and progress that there should be a more modern method resorted to, in the shape of arbitration, for the settlement of the crises which occasionally arise in connexion with the conduct of great manufacturing, pastoral, or other industrial concerns, than that the decision should be left to force. I think it is to be regretted that something of the sort was not adopted years ago by the States, before Federation came about. So far as our knowledge and experience go, arbitration has been useful, and has been followed with good results wherever tried, and if it be good for the individual State, it must be good for all the States and for the Commonwealth. It may, of course, be urged that our experience of compulsory arbitration is not very far reaching, or of long duration, but that is not a valid argument against the introduction of a measure of this kind. We must occasionally be pioneers in legislation. We cannot always refuse to take any step within our own legislative domain until we have the experience of others to guide us. That might be a good plan to adopt in some cases, but it will not always harmonize with Australian ideas of statesmanship or progress. The honorable and learned member for Angas spoke of voluntary conciliation and arbitration, but I do not quite understand how one can at this late stage of affairs insist upon that method. We know that, with very few exceptions, voluntary arbitration has never been successful. South Australia has had for years an Act providing for voluntary arbitration, but I do not think that the honorable and learned

member, notwithstanding his wide knowledge and experience of its working, can point with confidence to any splendid or striking example of its success. As a matter of fact, we know it to have been entirely unsuccessful. If we look further afield, to countries such as America or Great Britain and Ireland, we find that, with few exceptions, voluntary arbitration has been unsuccessful there. What militates against its success is the fact that the parties to a voluntary agreement cannot be bound to respect it any longer than they wish so to do, and the sweater and unscrupulous employer can at any time put an end to conditions which honorable men are willing and anxious to maintain. Our experience in Victoria has been that it is not the honorable men for whom we have to legislate. They are always ready to agree to voluntary arbitration, and there are splendid instances upon record in this State in which reputable manufacturers and importers have voluntarily arranged rates of pay and hours of labour which were a credit to them. It has, however, been necessary to legislate against the unscrupulous individual who, to become rich quickly, grinds down his employes, and seeks to make money at the expense of the flesh and blood of his fellow citizens. Such men do not respect voluntary agreements. In some cases employers who had agreed to comply with certain conditions have deliberately broken their agreements, and have unfairly competed with others by sweating their employes. Under these circumstances any reference to the efficacy of voluntary arbitration appears to me to be farcical. It is for those men who will not agree to fair conditions, and who will not abide by the bonds into which they enter that legislation of this character is necessary. The rough experience of the world shows that it is the unscrupulous—those who will not be bound by honorable obligations, who have no respect for their fellow citizens, and no regard for the feelings of the poor—to whom we have to apply compulsion. Therefore, I am amazed that any one can seriously suggest that voluntary arbitration is sufficient to meet the necessities of the case. Honorable members who are more closely acquainted than I am with these matters could cite many instances in support of my view. My experience as a member of the Anti-Sweating League of Victoria showed that even in cases where compulsion was exerted, under the operation of the Factories Act, in connexion with the

regulation of the rates of wages and hours of labour, the results were advantageous to the employers as well as to the work-people. Prior to the introduction of that Act, a number of men who had been thrifty, and who had saved a small amount of money, had been enabled to enter into business. In order to establish themselves firmly they, in many cases, adopted methods to which they would not have submitted as employes. Scores of these men found themselves unable to comply with the conditions imposed by the Factories Act, and had to resume their positions as employes. This was particularly the case in the baking trade. Many men who had been excellent workmen or capable foremen had saved money sufficient to enable them to enter into business. It was only by working for far less return than they would have received as employes that they were enabled to carry on. And as they were not able to comply with the Factories Act they had to resume their positions as workmen. In many cases this proved of advantage to the individuals immediately concerned, and conferred benefit upon the trade generally, by removing unfair competition. I believe that equally good results will be brought about by the application of the compulsory principle under the Bill now before us. On a previous occasion I voted in favour of bringing States public servants within the provisions of the measure. I acted then under the belief that there was no constitutional obstacle, and under the impression that in New South Wales and in New Zealand public servants had been brought within the scope of State legislation dealing with conciliation and arbitration, and that these Acts had given satisfaction. It is true that in New South Wales the railway servants are brought under the Arbitration Act, and that in New Zealand they are also included within the scope of similar legislation. I have discovered, however, that the position of affairs is not quite as I understood. I was under the impression that, in New Zealand, civil servants were placed in exactly the same position as persons in outside employment, but, upon looking through the debates which took place upon the Bill in the New Zealand Legislature, and at the Act itself, I find that that impression was incorrect. The New Zealand Conciliation and Arbitration Bill, as submitted to the House of Representatives there, embraced all classes of employes. Mr. Pearce, a member of the House of Representatives, proposed to exclude civil servants, and upon

that being carried, Mr. Seddon, the Premier, moved that the amendment should not apply to those engaged in the Post-office and Railway departments. That had the effect of bringing within the scope of the measure all the State employes in those Departments and excluding all others. At a later stage it was found necessary to hold a conference between the two Houses, and eventually both Mr. Pearce's proposal and that of the Premier were abandoned. The Act now contains clauses which deal specially with railway servants. These are known as the railway clauses, and an examination of them shows that they do not place the railway servants of New Zealand upon the same footing as those who are employed outside. It is provided that, in making its award, regard shall be had by the Court to the schedule of the Civil Service Act of 1896. I referred to Stroud's *Judicial Dictionary*, in order to find out the meaning of that reference to a schedule in an Act of Parliament. At page 1693 of the second edition, it is stated that—

This phrase limits discretion to the amounts of allowance prescribed by the scale; but there is full discretion to act within the scale.

I take that to mean that the Arbitration Court cannot increase the pay of railway servants in excess of the rates provided for in the schedule of the Civil Service Act. Provided, however, they keep within the four corners of that schedule, they have the right to increase the rates. I take it for granted that if a man were receiving the minimum rate prescribed by the schedule, the Court would have the right to increase his pay to the maximum rate therein provided. Of course, if I am wrong, the Arbitration Court has even less power than I have indicated. In any case, the Court must have regard to the schedule, and, consequently, has a restricted power in regard to railway servants. Assuming that the Arbitration Court decided, while keeping within the four corners of the scale provided for in the schedule, to raise the rate of pay previously given, they would naturally interfere with the Appropriation Act for the year. I am at a loss to understand how the New Zealand Government would view such a decision, or what they would do. I have not been able to discover whether any award has yet been given. I know that unions of railway employes and the Railway Commissioners may be registered under the Act, and that disputes may be referred to the

Arbitration Court, but whether the provisions of the Act have been availed of, I do not know. I should like to know what would happen in the event of the rates of pay being increased beyond the amount provided for in the Appropriation Act for the year?

Mr. FISHER.—Does the honorable member suppose that a Government would act contrary to the decision of its own Courts?

Mr. HUME COOK.—I should hope not. I take it that any Government would be bound to respect the decision of a Court practically created by itself.

Mr. SPENCE.—Such a Court would not be likely to give an unreasonable decision.

Mr. HUME COOK.—I do not suppose it would. My own view is that Governments, like individuals, are disposed to respect decisions of the Courts they create. At the same time, it would aid us greatly if we knew that a decision had been given by the Court which would render an increased appropriation necessary; and that such decision had been respected by the New Zealand Government. I have also sought information with respect to the condition of affairs in New South Wales. There the Railway Commissioners and their servants can be registered under the Act, and disputes can be referred to the Arbitration Court. I was unable to ascertain whether any dispute had been brought before the Court, and eventually I wrote to the Honorable B. R. Wise, the Acting Premier of New South Wales, who is the father of the Arbitration Act, and a strong supporter of its principles. I believe that he was responsible for bringing railway servants within the scope of the Act.

Mr. DUGALD THOMSON.—I think that that was brought about by means of an amendment proposed by some one else.

Mr. HUME COOK.—I would not be positive upon that point, but I know that he supports the application of the Act to the railway servants. I wrote to him, as the most competent authority to give me information, and asked if any disputes between the railway servants and the Commissioners had been referred to the Court, and if so, with what result? Further, I inquired whether, if there had been a dispute, he would favour me with his opinion as to what could or would be done in such a case as I have just stated, namely one in which the amount provided for in the Appropriation Act for the year would have to be supplemented owing to the award of the Court. I also desired him to inform me what could be done or might

be done if the Government refused to recognise an award which would have the effect of increasing the appropriation? These, in brief, were the questions which I put to him, and his reply, which is dated Sydney, 6th April, 1904, reads as follows:—

In reply to your note of the 30th ult., respecting State Railway Servants and our Industrial Arbitration Act, I see no reason to doubt the legality of any award made by the Court of Arbitration, granting higher pay than that provided by Parliament, but as the Commissioners under the Government Railways Act are to "pay such salaries, wages, and allowances to officers as Parliament appropriates for that purpose," I think that any award must be subject to such appropriation. The Government and the Railway Commissioners would doubtless do what was necessary towards submitting to Parliament any amounts awarded by the Court, and towards paying such amounts when voted, but if Parliament refused to vote the amounts awarded, and the Commissioners consequently could not pay, I do not see how the award could be enforced against them.

The New South Wales Government Tramway Employes' Union, Industrial Union of Employes, has filed a case against the Railway Commissioners demanding higher wages than those at present paid, and improved conditions. The Commissioners dispute the claims, but the matter had not yet been heard by the Court.

Those answers show that, in the opinion of Mr. Wise, whilst there is legal power to obtain an award from the Court there is no power of enforcing such an award if the State refused to recognise it. In my judgment, the States would be in honour bound to respect the decisions of the Court. I am, however, quoting not my own view, but that of an eminent legal authority, who is well known to be an ardent sympathizer with the principle of compulsory arbitration. In effect, he declares that, whilst it would be quite within the province of the Court to make an award which would have the effect of increasing the amount of an Appropriation Act, he does not see how that award could be enforced if Parliament refused to recognise it.

Mr. FISHER.—Nor could any other award if Parliament refused to recognise it.

Mr. DEAKIN.—If the States would not refuse to recognise the award of a State Arbitration Court how much more likely would they be to respect the opinion of a Federal Court?

Mr. HUME COOK.—I am merely endeavouring to give honorable members the benefit of the information which I have received. In view of the fact that Mr. Wise is an ardent sympathizer with this Court, and a man who has done a very

great deal towards bringing about industrial peace in the senior State of the Commonwealth, it is interesting to have his opinion expressed in this terse way upon a question that is of very great moment to this Parliament. If that opinion be correct, it shows very clearly that it is idle for us to proceed if the States Governments do not intend to recognise the decisions of the Arbitration Court. Personally, I see no constitutional reason why we should not bring the public servants of the States within the scope of this measure. I am still as strongly in favour of making the Bill applicable to them as I previously was, though I have to admit that my opinions on the subject have been a good deal shaken by the two circumstances which I have just narrated, namely, the special provisions which are contained in the New Zealand Act, and the very strong opinion which has been expressed by Mr. Wise. But, though I favour bringing the State public servants under the operation of this Bill, I feel bound to say that the industrial community, and more particularly the workers, are expecting too much from this legislation. I have already declared that in my opinion the working classes will lose more than they think by the passage of a measure of this character. I believe that the employers generally have more to gain from it than have their employés. Yet it is singular that the greatest opposition to the Bill emanates from the employers. Indeed, what strengthens me in my support of the measure is the fact that those who, like the honorable member for Wannon, are entirely opposed to industrial arbitration, are those who principally oppose its application to the public servants of the States. All that they would support is some useless Bill embodying the voluntary system of arbitration, such as is advocated by the honorable and learned member for Angas. When I was before my constituents I expressed the same views that I am voicing now. I declared that I saw no constitutional reason why the States public servants should not be brought within the scope of this measure. But I also took occasion to point out that I would prefer to lose that particular provision rather than sacrifice the whole Bill. In order to retain the Government in power—not because of any special circumstances attaching to the individual members of the Ministry, but because it is most undesirable at the present time to effect a change of

Mr. Hume Cook.

Government—I would prefer to forego that proposal. I would rather do that than lose both the Bill and the Government. It has been asserted in the press, and especially in the conservative journal of this city, that my vote was purchased by the Government offering me the position to which I have been appointed.

Mr. TUDOR.—Which is the conservative journal?

Mr. HUME COOK.—The *Argus*.

Mr. TUDOR.—I thought they were both conservative.

Mr. HUME COOK.—It has been said that my vote was bought by my acceptance of the position of Government Whip. I desire to say that that statement has no foundation whatever in fact, because long before I accepted the appointment I told my constituents exactly the course which I intended to take. Had I felt free to say that I would have voted for the inclusion of State servants in any circumstances, my majority would probably have been very much larger than it proved. Scores of electors voted against me because they believed that the Government would make this question a test one, and because they felt that if that were done I would vote with the Government. But altogether irrespective of what may be the fate of the Ministry upon this measure, and of what party may lead in this House, I sincerely trust that we shall secure an Arbitration Act of some sort. I feel strongly that the progress and prosperity of Australia is wrapped up in that industrial peace which she needs for the conduct of her business. If we secure an Arbitration Act I believe that we shall for ever get rid of the disastrous strikes and locks-out which have in times past disgraced our industrial affairs. Industrial peace will do more to attract capital to this country, and to set the wheels of progress in motion, than will anything of which I know. Believing that, I am a strong supporter of the Bill, and whatever may befall the Ministry, I hope that we shall secure an Arbitration Act for Australia, and in so doing obtain that industrial peace and progress which will follow in its train.

Mr. DUGALD THOMSON (North Sydney).—After the remarks of the right honorable the Leader of the Opposition upon this measure not being regarded as a party one, I need scarcely say that the criticism which I propose to bestow upon it is my own, and does not

necessarily represent the views of other honorable members upon this side of the House. Whilst the speech made by the Prime Minister upon the second reading of this Bill was not as eloquent as his previous effort in the same direction, I think it was a much more valuable exposition of the measure, and gave honorable members some very desirable information, not only as to the legal interpretation of certain clauses but also as to the intention of the Government in connexion with some of its more doubtful provisions. To the tone of that speech generally no exception can be taken, and, therefore, I am the more reluctant to object to one remark which was made by the Prime Minister. He said that he left to the opponents of the measure the creed "whose god is greed, whose devil is need, and whose paradise is the cheapest market." I do not know whether his reference to the cheapest market was intended as a sly hit at the free-traders, but I would tell the honorable and learned gentleman that free-traders have always favoured allowing men liberty to sell their labour in the dearest market, and to purchase their supplies in the cheapest market. That policy has not proved unfortunate for the working man in the countries which have adopted it. I also desire to say to the Prime Minister, that some of those who are opposing this measure have done far more for the workers with whom they have been associated than this Bill can ever do, even if it fulfils the most sanguine expectations of its authors.

Mr. RONALD.—That is prophecy.

Mr. DUGALD THOMSON.—It is fact, not prophecy. In making the remark to which I have called attention I think that the Prime Minister exceeded the moderation which characterized the remainder of his speech.

Mr. DEAKIN.—It was not intended, I find, to apply to the opponents of the Bill, but to the humanitarian interpretation of the principles and obligations which form the very basis of civilized society. I admit that the honorable member's reading of it is quite defensible, but I was not alluding to the opponents of the Bill.

Mr. DUGALD THOMSON.—I am very glad to hear the Prime Minister's explanation. In dealing with this measure, I do not intend to resurrect the speech which I delivered last session, and which is decently buried in *Hansard*. At the same time, I wish to allude briefly to some of the objec-

tions which I then urged against the measure—objections which, in most cases, have been confirmed by subsequent experience. I then pointed out that the system of fixing the remuneration to be paid, and of determining the relationship between employers and employed, was no new system—that it was in vogue generations, and even centuries ago, and was abandoned after a full trial had been given to it, because of the injury which it inflicted upon industry, and those employed in it, and because of its ill-effects upon the general community. I am aware that to-day people think that they are cleverer than were their ancestors. In some respects they may be, but I would point out that this revival of a system, which has been tried and abandoned, is at the best—and is admitted by the Prime Minister to be—merely an experiment. As an experiment, which is on its trial in different States of the Commonwealth, under different industrial Acts, it should be fully tested before we adopt it in the larger arena of Federal politics. We have every opportunity to watch the operation of the Arbitration and Conciliation and other Acts in the different States, and to determine which are beneficial and which are not, and to ascertain in what respects they fail or succeed. It would be wise for us as a Parliament, having the opportunity to judge the working of industrial legislation elsewhere, to await the result of those experiments before passing a complicated Federal Arbitration Act. Strange to say, the Prime Minister, as a member of the Federal Convention, appeared to hold this opinion. In speaking of the power under the Constitution of the Federal Parliament to legislate in matters relating to Conciliation and Arbitration he said, at the Melbourne sittings of the Convention, that—

At the same time, this is a power, like many others, not likely to be exercised by the Federal Parliament for many years to come. The Federal Parliament will be impressed by the importance of the experiments which are proceeding in the States. It will watch them carefully, and will deal with the subject as soon as it feels it is competent to do so.

I am sure that no one who has had experience of the working of the States Acts will yet say that they have proved themselves either a success or a failure.

Mr. SPENCE.—They have, at all events, put an end to strikes.

Mr. DUGALD THOMSON.—I shall refer to that matter later on, and we shall

then be able to determine by comparison whether they have really put an end to strikes. I contend that they have not yet been proved. They may possibly prove successful, while, on the other hand, they may turn out to be absolute failures. I previously indicated that the experience of the working of the Arbitration Act in New Zealand gives us no assurance of the successful operation of such a measure. I have pointed out that in view of the prosperity which New Zealand enjoyed for some little time before the introduction of the Conciliation and Arbitration Act, and since any such legislation would be not only tolerable, but would fail to be seriously felt by industry.

Mr. MAUGER.—The honorable member should put the position the other way—cause and effect.

Mr. DUGALD THOMSON.—The honorable member wishes to insinuate that the Act is responsible for the prosperity of New Zealand.

Mr. MAUGER.—That legislation of that kind has improved the position of the Colony.

Mr. DUGALD THOMSON.—There is not the slightest foundation for that opinion. The honorable member should be aware that during the last few years New Zealand has had an exceedingly favorable experience; that whilst we have been suffering from the effects of drought, she, by reason of her rich harvests, has been profiting from our reverses. He also should know that the South African war poured immense sums into the pockets of New Zealand's producers and exporters.

Mr. MAUGER.—That may also be said of Australian exporters and producers.

Mr. DUGALD THOMSON.—But to a far more limited extent. Practically only the southern States were benefited in that way. The honorable member should likewise know that New Zealand has been fortunate in many ways; that owing to exceptional circumstances—such as the ability to export her oats to Great Britain, and the enormous meat trade which she has developed with the old land—she has enjoyed a time of prosperity which would have enabled the people to work under any Act of Parliament without any appreciable reduction of prosperity. The time to test such legislation in New Zealand, as elsewhere, is the time of adversity. Until they have passed through the cauldron of adversity no one can say that measures of this kind,

which are in force in some of the Australian States, are successful. In support of that view of the position, I should like to read a letter written by a member of the New Zealand House of Representatives who is friendly to the Bill, to a gentleman in this city, who requested him to favour him with his opinions on the working of the New Zealand Act. It is only fair that I should read the whole of his letter, although some portions of it may tell against my argument. The letter is as follows:—

Your letter of the 20th June reached me only a few days ago, and the excitement of beginning the session of Parliament has prevented me from replying fully to your letter.

You want to know, regarding the working of our Conciliation and Arbitration Act, whether the dissatisfaction that you hear of is caused by the defects of the Act itself or in its administration, or comes from larger causes. You, probably, have at hand a copy of the Act, and the date on which it became law.

We have had an amendment made in the Act nearly every year since it was first passed, and a fresh amendment promised this session.

That shows, of course, the need of experience—

During the first few years the Act was in operation the great body of the workers believed that it was a charter of salvation to them, because it gave a continued series of increases of wages and other advantages of shorter hours and better conditions generally. One thing to be borne in mind is, that, from the date the Bill was passed, the conditions generally in the Colony were improving. The price of our produce had increased in the London market, and the effect of the imposition of the land tax, a few years before, had made access to the lands of the Colony more easy. That meant a greater demand for labour, the ranks of which had been thinned in the cities by the exodus of people on to the land. When the Court had once gone round the different industries fixing the rate of wages and other conditions, fresh applications were lodged from those who had been first in the field in getting increases before, and reasons for further increase were given—that the cost of living had increased, which, of course, was the inevitable result of an increase in the wages of those producing different articles.

Mr. MAUGER.—That has not been the result here.

Mr. DUGALD THOMSON.—It must be the result everywhere.

Mr. MAUGER.—It has not taken place here.

Mr. DUGALD THOMSON.—Because the provisions of the Victorian Act are not so generally applied as in the case of the New Zealand Act.

Mr. MAUGER.—Where they do apply that has not been the result.

Mr. DUGALD THOMSON.—Where the increase of wages is universal, there must be of course an increased cost of living, especially when those conducting the industries in question continue to make as large a profit as before the passing of such legislation.

Mr. MAUGER.—That is the whole crux of the question.

Mr. DUGALD THOMSON.—I would refer the honorable member to the New Zealand income tax returns. They show that those conducting industries affected by the Act have made, not a smaller, but a larger profit since its introduction, and that that result has been due to the prosperity of the Colony as a whole. Mr. Wise, in introducing his Conciliation and Arbitration Bill in the New South Wales Parliament, quoted the dividend returns of New Zealand companies, in order to show that their profits had not been reduced by the coming into force of the Act. I showed at the time that those dividends were considerably higher than were those of similar companies carrying on business in Australia. This proves that the Act has not lessened the profits of those conducting industries affected, but that the increased charges have been passed on to the consumer—and that the consumer being able to bear them, owing to the splendid prosperity of the Colony, has made no complaint. The writer continues:—

The first check which the popularity of the Act received was when a decision had been given in the case of the Miners' Union in the Auckland Province, the conditions there being that, one mine, the "Waihi" Mine, was doing very well, making large dividends for their shareholders, while nearly every other gold mine in the Province was just struggling along barely paying expenses. The miners employed in the Waihi Mine naturally felt they were entitled to a greater portion of the rich finds in that mine; but one of the principles of the Arbitration Act was that the awards of the Court should extend over large areas, in fact, the ideal of many trade unionists was to get a colonial award, and when the Court, in the case of the Waihi miners, heard the evidence of the conditions of the industry in the district generally, they came to the conclusion that the demands of the men could not be complied with, and gave their decision accordingly. The result was an immediate outcry against the composition of the Court—

Adverse decisions against a body of men—I do not care what body it is—are sure to lead to resentment and cause the parties concerned to take action to secure a change.

Mr. FISHER.—The every-day "drunk" in the police court complains of the magistrate.

Mr. DUGALD THOMSON.—Quite so; but he has no power to force the hands of Parliament—to secure a revision of his sentence. The letter proceeds—

and a deputation of the men waited on the Minister of Justice asking that the President of the Court, who is a Judge of the Supreme Court of the Colony, should be removed from his position. Since then resolutions have been passed by various bodies of workers condemning the decisions of the Court, and in some cases it has been publicly announced that cases which were intended to come before the Court have been withdrawn, because the men had no confidence in the Court.

Mr. McCAY.—Those cases are not very numerous.

Mr DUGALD THOMSON.—I am only giving a New Zealand legislator's statement of the working of the Act, regardless whether it operates against my argument or not.

Mr. McCAY.—I am aware of that; but I repeat that those cases will not be numerous.

Mr. DUGALD THOMSON.—They are not likely to be when, under the decisions of the Court, wages have always had an upward tendency. There are only two or three cases in which a reduction has taken place.

Mr. McCAY.—That is likewise correct.

Mr. DUGALD THOMSON. — The writer of the letter proceeds—

I may say that the present President is a man of the very highest character and impartiality in labour questions, and if he cannot give satisfaction, no President could give satisfaction unless he made a general practice of giving the men all they asked for. Hitherto the Court has been able to, in most cases, grant some portion of the demands made by the men, because the general tide of prosperity has been rising in the Colony; but, if a reverse comes in the general prosperity, then will be the testing time of this particular Act. When applications are made by the employers for a reduction of wages, it will take great courage on the part of the Court to grant their request—

I do not agree with the use of the word "courage;" I do not consider that that is altogether the right word to employ—

—and failure to do so, with shrinking trade, will mean stoppage in some industries, and a throwing of people out of work. I believe the opinion amongst the most intelligent of the labour leaders in this Colony is that the Act has been a useful instrument in equalizing labour conditions; that is to say, it has been the means of bringing the sweating employers into line with the best employers, but that, as a means of permanently increasing the proportion of the products of labour, which come to the producer, it must of necessity fail; that some more radical cure is required to raise the whole body of workers, but that in the present artificial conditions of society it has artificially stimulated the upward tendency in the wages of labour. At

the present time we have numerous instances of a natural law of wages superseding the awards of the Court. In places where the Court has fixed 1s. 2d. an hour as the rate of wages, from 1d. to 3d. an hour more is being paid, because the demand for labourers in that particular branch is greater than the supply, and, in some instances, where the Court has fixed a minimum wage, which employers found to be too high for all except picked men, large numbers have been left out of work, and they had to go to other parts in search of employment.

As a regulator of labour conditions, I believe it has done good service in preventing unfair competition between the fair and honest employer and the dishonest, but its true value can only be ascertained after having passed through the testing time of an industrial depression.

I hold, therefore, that the New Zealand Act which is invariably put forward as a proof of the successful results attending industrial legislation, has not yet proved itself, and cannot do so until it has been subjected to the conditions of adverse circumstances. I have before said that the great majority of the English-speaking workers are absolutely against such a proposal as this.

Mr. CARPENTER.—They require to be educated on the subject.

Mr. DUGALD THOMSON.—We cannot say that they are not led by intelligent men, or that they themselves are not intelligent. We know that the vast mass of the British and American workers has amongst its numbers some of the ablest leaders in the world, and that these men, by a large majority, declare that they do not desire the system. Last year, even after the *Taff Vale* decision, which the Prime Minister thought might convert them, they rejected, by a majority of three votes to one, a proposal for a measure providing for conciliation and arbitration. They consider that they are doing infinitely better by their system of voluntary arbitration, and that no compulsory Act will stand the test to which it will have to be put. That is their opinion, and it is mine.

Mr. HIGGINS.—I think that they wish to hold to the strike system; but that weapon has not been left in their hands.

Mr. DUGALD THOMSON.—They do not like strikes any more than other working men like them. They have been successful, very largely by voluntary arbitration, in accomplishing the avoidance of strikes. They say that their system is sufficiently successful to promise better results than are promised by a system which they believe, as I believe, would break down when put to the strain which it will have to bear if many circumstances which have occurred in the

past arise in the future. In reply to the question put by the Prime Minister previously, why, when we refer so many matters to courts, we should not refer industrial disputes relating to rates of wage, hours of work, and relations between employers and employés, I pointed out on a former occasion, what has since been proved, to some extent, at any rate, by actual occurrences, that where there is no legal compulsion, and extreme dissatisfaction with an award exists among a body of men, effect will not be given to it. Whenever a Legislature refers matters to law courts, it accompanies the right of jurisdiction with power to enforce obedience to decisions; but it is not so in this Bill. Since the last Bill was introduced, cases have arisen in which limited and comparatively small bodies of men have rebelled against the decision of an Arbitration Court. Strikes have occurred, notwithstanding the existence of the Court, against the advice of the leaders of the men, and in opposition to the opinion of the bulk of those employed in the industry concerned. There have been several such occurrences in the neighbourhood of Newcastle, and every one of the leaders, or at least, all those whose remarks were reported, advised against them. The great body of men employed in the interests concerned were also opposed to them. Fortunately the men who struck were only a limited number. Had the feeling which possessed them obtained sway amongst an extensive body—say, the great majority of those engaged in the industry—there would not have been the repression of their fellows, such as these smaller bodies had to contend against, and nothing would have prevented a strike as serious as any which took place under the old conditions.

Mr. SPENCE.—More breaches of the Act are committed by employers than by employés.

Mr. DUGALD THOMSON.—I do not say whether that is so or not; but the Court has power to enforce its awards against employers, while it is without that power in the case of employés. The decision of the Arbitration Court in the cases to which I have referred was that it had no power of enforcement; neither is there contained in this Bill any power of enforcement against the employés, although an attempt has been made by an amendment to prevent the measure from breaking down by the action of the employés in refusing to abide by an award.

Mr. SPENCE.—In the cases referred to by the honorable member, the Arbitration Court decided that there had been no breach of the award.

Mr. DUGALD THOMSON.—The men would not accept the award.

Mr. SPENCE.—The Court decided that the action of the men was not a breach of the award.

Mr. DUGALD THOMSON. — There was a breach of the rule requiring the giving of fourteen days' notice.

Mr. SPENCE.—That rule was not contained in the award.

Mr. DUGALD THOMSON.—The giving of fourteen days' notice was the rule of the district.

Mr. SPENCE.—Not under the award.

Mr. DUGALD THOMSON.—The facts are as the honorable member states them. But they support my argument. There was a breach of the rule requiring the giving of fourteen days' notice, but there was no breach of the award, because it contained nothing about the giving of notice. If the men had waited fourteen days they could each have marched out of the mine without committing a breach of either the award or the law. That has been seen by the Prime Minister, and he has attempted to deal with the position by placing certain new clauses in the Bill. Those clauses, however, do not meet the case, and it cannot be met. Under the Bill, men could leave their employer at the end of a week, or whenever the legal notice had expired, and they could not be prevented from doing so. It is proposed that we shall do in connexion with the Arbitration Court what we would not attempt to do in connexion with any other Court of law, and that is, refer matters to it for decision without putting it in a position to enforce its awards. How could we put it in that position? No one wishes to see large bodies of men sent to gaol. It would be ridiculous to expect that to happen, even if we provided for it in the Bill.

Mr. SPENCE.—We cannot compel employers to continue to carry on their businesses.

Mr. DUGALD THOMSON.—No; but if they refuse to comply with an award they are practically forced out of the industry in which they have been engaged. That does not happen in the case of the men. They can go elsewhere and find employment. Overhanging the employer is the tremen-

dous penalty of a possible shattering of his business, and sacrifice of his buildings or machinery. Some employers would suffer more than others.

Mr. SPENCE.—An employer could put on other men.

Mr. DUGALD THOMSON.—But in any case he would be forced to comply with the award of the Court, so that it would be better for him to keep the men he had got. I am not complaining of the compulsory enforcement of awards against employers; I am only showing that it is impossible in regard to employes. That is where I anticipate failure will occur, and the labour leaders in England and America agree with me. Without the power to enforce compliance, wherever there is among a large body of men dissatisfaction, justifiable or unjustifiable, with an award, we shall have in the future strikes as serious as any we have had in the past.

Mr. DEAKIN.—We have made special provision to meet that difficulty.

Mr. DUGALD THOMSON.—The facts I have referred to show how great is the need of experience. It would be unwise for us not to profit by the experience we may get of the working of the industrial laws of the States. There is, however, nothing in the provisions to which the honorable and learned gentleman refers which meets my objection. Men who were dissatisfied with an award could, under his provisions, give a week's notice of their intention to leave their employment, and at the end of that time walk out of their workshop, thus practically refusing to abide by the award without actually declaring their intention not to do so.

Mr. DEAKIN.—That action would be equivalent to the action of an employer in discontinuing his business.

Mr. DUGALD THOMSON. — Yes. But while an employer is practically prevented from continuing to carry on his business, unless he is prepared to comply with the awards of the Court, employes may refuse to do so, and yet still obtain employment in their industry. I have no desire to make the provisions of the measure so drastic that large bodies of men would be compelled to labour under conditions of which they do not approve; I am simply pointing out that, as employes cannot be compelled to comply with the awards of the Court, the Act may at any time break down in its most important particular. Whatever our associations, our prejudices, or our interests, we should try to regard both sides of this question, and

to look at it from all aspects. We should avoid extreme views. I do not deny that there are industrial evils. One of them is the unnecessary reduction of wages. One justification for, and a great purpose of, unionism, is to resist such reduction. Reductions in wages are due to a variety of causes. In some cases they are caused by the greed of an employer who is able to afford good wages. In many cases, however, they are brought about by want of capacity, or of business connexion, or of capital. There may be a dozen firms in an industry, eight or nine of which are willing and able to pay good wages, while the remaining three or four, for lack of some quality or characteristic, or through want of capital, are in difficulties. These latter thereupon try to discover how they may reduce expenditure, and if their wages expenditure is their largest item, as it often is, they reduce wages. In these cases that reduction is due entirely to the deficiencies of the firm conducting that business. I quite admit that that creates an undesirable condition of affairs. As I say, unionism was designed in the first place to correct this, and British workers have found that by means of their unions and voluntary arbitration they can adjust disputes arising in that connexion in many of the largest industries. The results have been entirely satisfactory, because those who have had the decision of disputes have been fully acquainted with the resources and possibilities of the trades concerned, and have not imposed impossible conditions, but have adopted a rate of wage fair to the industry and satisfactory to the men themselves. As the honorable and learned member for Angus has pointed out in his very able speech, more permanently satisfactory—I am not speaking of temporary—results would accrue from a voluntary system than from any attempt at compulsory arbitration such as that contemplated by this measure. I should be only too glad if I could believe that this proposal would afford a true remedy for some of the admitted evils of industrial life. If you try to remedy an evil by adopting something which will only aggravate it, or if you succeed in remedying one evil, but at the same time create a greater one, you will not bring about any improvement in the industrial world. I very much fear that eventually a greater evil will be substituted for that which the Bill seeks to cure. The Prime Minister

Mr. Dugald Thomson.

has described the Bill as something which will lift a great burden or pick up pins. He is no doubt quite correct in that description. He has likened the Bill to an elephant, but it might as well be compared to a hundred-ton crane. Any one who would employ a hundred-ton crane to pick up pins would be considered a lunatic. An enormous measure, which is necessarily clumsy in its operation, is to be employed for the purpose of picking up industrial pins. All sorts of small matters will be brought within the scope of the measure. Even an angry word spoken in Western Australia might be brought under the cognisance of the Arbitration Court, and become the subject of inquiry.

Mr. DEAKIN.—That is if the dispute extended beyond the limits of any one State.

Mr. DUGALD THOMSON.—Now the Prime Minister is dealing with his mystery. I have given him credit for having furnished us with a fuller exposition of the Bill than on the previous occasion, and of having treated us to a very instructive speech. But he carefully avoided saying what would be regarded, within the meaning of the Constitution, as a dispute extending beyond one State, and with even greater care he avoided indicating the disputes which he desired to bring within that category. Surely we ought to know what we are doing. Are we to legislate blindfold?

Mr. DEAKIN.—I said that we were endeavouring to legislate in such a way as to take advantage of all the power contained in the sub-section of the Constitution, but I admitted that it was very difficult, without a decision of the High Court, to say exactly how far our power extended.

Mr. DUGALD THOMSON.—That reminds me of the words of an old song: "Leave it to Your Solicitor." In this case the Prime Minister would have us leave it to the Court; but we ought to make up our minds how far it is wise to go. In regard to other measures we do not say, "We do not know exactly how far our powers go, and we will trust to the Court." We say that we wish to exercise our powers so far and no further.

Mr. DEAKIN.—We wish to exercise our powers as far as they will go.

Mr. DUGALD THOMSON.—Will the Prime Minister say how far he thinks it wise to exercise those powers?

Mr. HIGGINS.—If it is a good thing we cannot have too much of it.

Mr. DUGALD THOMSON.—Then why is it not intended to apply it to the States servants?

Mr. HIGGINS.—That is what we want.

Mr. DUGALD THOMSON.—There is to be a limit in certain cases, whereas in other regards the operation of the measure is to be without limit. We do not know where its operation will end. That is not a desirable method of legislation. We ought to know what we are doing, and decide how far it is wise for us to go. We are simply shutting our eyes and taking a leap. We do not know where we shall land, but the High Court is to be left to decide for us. We should have some assurance as to how far our constitutional powers extend. At any rate we should know how far the Ministry think it desirable to exercise these powers. We should not be content with the vague statement "as far as it can go," but should have a distinct definition in the Bill. Some people still think that the measure will apply only to disputes extending beyond any one State.

Mr. DEAKIN.—Hear, hear.

Mr. DUGALD THOMSON.—In my opinion, unless the High Court decides that some of the provisions of the Bill are *ultra vires*, the measure will extend to the smallest details of every employment in every State. The least transaction will come within the jurisdiction of the Court. As I have said, even a rude word spoken by an employé to a foreman or an employer, no matter in what part of Australia, might result in an appeal to the Arbitration Court. The Prime Minister has already referred to the fact that a dispute with an organization extending beyond any one State is intended by the Bill to constitute an Inter-State dispute.

Mr. DEAKIN.—It may.

Mr. DUGALD THOMSON. — The Prime Minister will not deny that that is provided for in the Bill. That is to say, that a dispute affecting an organization which extends beyond one State will be regarded as a dispute extending beyond any one State.

Mr. DEAKIN.—Oh no; the dispute itself must extend beyond the State. I did not understand the honorable member in the first instance.

Mr. DUGALD THOMSON.—I hold that a dispute with an organization extending beyond any one State is, according to the

intent of the Bill, to be regarded as a dispute coming within the purview of the Arbitration Court. Of course, we cannot say what the decision of the High Court will be. The Prime Minister cannot tell. This is a species of agnostic legislation.

Mr. DEAKIN.—Under an agnostic Constitution.

Mr. DUGALD THOMSON.— Yes; perhaps the Constitution is agnostic too. The Bill contemplates that a dispute with an organization extending beyond any one State shall be regarded as an Inter-State dispute.

Mr. DEAKIN.—With all respect to the honorable member, I think not.

Mr. DUGALD THOMSON.—That is my own opinion, and at any rate, the Bill provides machinery with that object.

Mr. DEAKIN.—That is only when a dispute has extended beyond one State.

Mr. DUGALD THOMSON.—It is not necessary for me to labour this matter, because I have stronger arguments to urge in this connexion. The provision as to the common rule would bring every industry in the Commonwealth within the scope of the Bill.

Mr. DEAKIN.—Unless the operation of the common rule were limited.

Mr. DUGALD THOMSON.—I mean that, if it were desired by the Court, the common rule might be made to extend to every industry in every part of the Commonwealth.

Mr. DEAKIN.—Exactly.

Mr. DUGALD THOMSON.—Therefore, if a dispute arose, and were brought before the Court, the decision could be made to apply to every industry of the same character, or of a cognate character, in every State. Consequently, as the Federal law will override all the State laws, control will be exercised by the Court over the smallest particulars relating to every industry in the Commonwealth. Suppose that a man were discharged as the result of his addressing an angry word to his employer. He might make an appeal to the Court, on the ground that he was discharged because he was a unionist. Or a man might be refused employment, whilst others were being taken on, and might appeal to the Court upon his right of preference as a unionist, and the employer might have to satisfy the Court that there was good reason for not giving him employment. That is an enormous and far-reaching power, and one which I cannot conceive will be good for the industries of Australia.

The Bill provides machinery for the establishment of Courts of Registration in the different States, and for what purpose? The intent of the Bill is as clear as possible.

Mr. POYNTON.—The honorable and learned member for Angas declares that the Bill provides for only two classes of disputes.

Mr. DUGALD THOMSON. — That is an entirely different question, which I am content to allow the legal talent in this House to discuss. I am merely pointing out what the Bill is intended to accomplish. Of course it will be for the High Court to decide how far our powers extend, but the Bill undoubtedly makes provision for all that I have stated. If we desire to see the extent of the matters with which it proposes to deal, we have merely to look at the definition of "industrial matters," as set out in clause 4. There we find that—

"Industrial matters" includes all matters relating to work, pay, wages, reward, hours, privileges, rights, or duties of employers or employes—

Under this definition the Court would even have power to say in what work an employer shall engage. That has actually been done under the New Zealand Act. In that country the Court has fixed the work of an employer. The definition continues:—

Or the mode, terms, and conditions of employment, or non-employment; and in particular, but without limiting the general scope of this definition, includes all matters pertaining to the relations of employers and employes.

Could anything be wider than language of that sort?—

And the employment, preferential employment, dismissal, or non-employment of any particular persons, or of persons of any particular sex or age, or being or not being members of any organization, association, or body.

That Court will not lack business. I was rather amused by one remark made by the Prime Minister. He said that even if the merchant suffered a reduction in his profits it might be better for him. I think that any conductor of industry who has to carry on operations under these conditions will most certainly suffer a reduction in his profits. I only hope that he will not experience such a reduction as will cause him to abandon his industry.

Mr. DEAKIN.—The experience of New Zealand is not in that direction.

Mr. DUGALD THOMSON.—But these provisions are much more severe than is the law of New Zealand, because in some of the States there will be two codes of laws to deal with, and, in addition, we are

legislating for the larger territory of Australia. Of course, under the influence of a wave of prosperity an industry may be able to carry on, even under this Bill, and not suffer a reduction in its profits. But we must remember that in Australia our prosperity will be much more intermittent than is that of New Zealand. The recurring droughts which afflict us, and which are practically unknown in New Zealand, are bound to make our seasons of prosperity more intermittent. But, adverting to the reduction in the merchants' profits mentioned by the Prime Minister, it is interesting to note that the Bill does not propose to deal with professional men. The honorable and learned gentleman does not attempt to do anything in the way of reducing the earnings of lawyers.

Mr. GLYNN.—Yes, he does not propose to allow them to appear before the Arbitration Court.

Mr. DUGALD THOMSON.—That will not reduce their earnings. They are provided with fresh fields and new pastures in which they may grow fat. I have no resentment against lawyers, but I was irresistibly reminded by the Prime Minister's remark that he does not propose to apply the same principle to the professional men of the community that he wishes to see applied to the merchant. If honorable members will read the interpretation clause they will see that—

"Industry" means business, trade, manufacture, undertaking, calling, service, or employment on land or water—

I think that covers everything save submarine diving—

in which persons are employed for pay, hire, advantage, or reward, excepting only persons engaged in domestic service.

Let honorable members reflect what an enormous power this Court will wield, and the vast quantity of business which must come before it, especially when it has a host of other matters to attend to, such as union rules and levies, the recovery of union subscriptions, the terms of awards, the interpretation of awards, breaches of awards, &c.

Mr. DEAKIN.—It will all depend upon the interpretation which the High Court in the first instance puts upon its powers.

Mr. DUGALD THOMSON.—But even if the High Court declares that the Commonwealth possesses the fullest powers which are claimed for it, are we prepared to set up such an enormous tribunal in Australia? The cost of the Court will, I am sure,

be tremendous. I know that the Bill provides that a Justice of the High Court shall be the President of the proposed tribunal, and that he shall receive no additional salary for his services in this connexion. But Mr. Wise has already pointed out how impossible it will be for a Justice of the High Court to occupy the dual position very long. He declares that the time of this tribunal will be largely occupied in hearing appeal cases for the determination of which the attendance of three Judges is necessary. Consequently, no Justice will have time to exercise the enormous jurisdiction of this Court.

Mr. DEAKIN.—Of course it may mean the appointment of an extra Judge.

Mr. DUGALD THOMSON.—That will mean great extra cost. In New South Wales, at the present time, there is need for the establishment of an additional Arbitration Court in the Newcastle district. I am not aware that it has not been promised. There is certainly need of it.

Mr. WILKS.—Only whilst there is a "spurt."

Mr. DUGALD THOMSON.—When is the "spurt" to stop? The honorable member has been absent from the chamber, otherwise he would have gathered from a letter which I read from a New Zealand legislator, who is favorable to compulsory arbitration, that no sooner has one crop of disputes been disposed of than another is forthcoming, because the workers receiving the first awards affirm that the expense of living has been increased. Further, the New Zealand Court is in arrears with its work to-day, although it has been in existence for six years.

Mr. McCAY.—It is only in arrears because one of its members was ill during nearly the whole of last winter.

Mr. DUGALD THOMSON.—The members of the proposed Arbitration Court will not be proof against illness. Must not a Court be able to meet the ordinary contingencies of life?

Mr. McCAY.—But the honorable member's point was that the work accumulated beyond the powers of the Court.

Mr. DUGALD THOMSON.—I say so still. The New South Wales Court has certainly sufficient work before it to occupy it for a year. I believe that if the measure is to prove successful, there ought to be another Arbitration Court established in that State to deal with the mining industry. Possibly there ought also to be a tribunal

to deal with the city industries, and there might be a third to deal with rural industries. If three Courts are required in New South Wales, ten or eleven would be necessary for the whole of Australia. When honorable members reflect that in New Zealand, with its circumscribed area and limited population, which does not exceed one-half that of New South Wales, one Court is not more than sufficient to cope with the business coming before it, it will be seen at once that we shall need a large number of Courts if these tribunals are to be granted the full powers with which it is proposed to invest them. Now I come to the matter of whether the other two members of the Court should be appointed permanently, or only in connexion with each dispute. I have watched the operation of the Act in New South Wales, under which permanent appointments have been made.

Mr. DEAKIN.—We propose to limit the term of their appointment to five years.

Mr. DUGALD THOMSON.—In my opinion, it would be far more satisfactory to make fresh appointments in connexion with each dispute. One good reason only was advanced by the Prime Minister in favour of permanent appointments, namely, that the Court was given power to reject some unimportant disputes, and that one Judge would not care to exercise that power. Perhaps there is something in that contention; but I think that any Judge ought to be prepared, as he is in more immediately serious matters in other Courts, to accept the responsibility which attaches to his office. But, as a matter of fact, the method of appointment of the members of the Court, other than the Judge, is one which makes them to a large degree advocates. I consider it would be infinitely better to have advocates with knowledge than advocates without knowledge of the particular industries with which they are called upon to deal. For example, in New South Wales, we recently witnessed the spectacle of a Judge, an engineer, and a fireman deciding a dispute in connexion with a tailoring trade. We see them puzzled with cases relating to coal mines, and having their awards referred back to them. They cannot be expected, at the first attempt, to enter into all the intricacies of coal mining, which they are not acquainted with. We see them absolutely embarrassed by a request to give a decision relating to the employés of gas works, and we have, in connexion with

that case, an expression of opinion which shows what a vast quantity of work is thrown on the Court under the New South Wales Act—work with which no Court should have to deal. According to a recent newspaper report—

Mr. Justice Cohen stated to-day that he felt himself utterly incompetent to deal with all the issues involved in the dispute, and expressed the opinion that many of them were of a class that the Court should not be expected to settle.

The other members of the Court were also of opinion that many of the matters in dispute might very well be settled out of Court.

Mr. Justice Cohen said it was time the Court took a firm stand. If parties in these disputes were animated by a desire to settle their differences on an equitable basis, and in a give and take spirit, enormous expense would be saved to themselves and the country.

Mr. DEAKIN.—In New South Wales they have not the power of conciliation for which we provide in this Bill.

Mr. WILKS.—That will overcome the difficulty.

Mr. DUGALD THOMSON.—It will not; the Commonwealth will have a similar experience.

Mr. WATSON.—The issues are materially reduced, it is said, by Boards of Conciliation.

Mr. DUGALD THOMSON.—Those Boards may reduce the issues; but I have just given an instance of the work which the New Zealand Court has to carry out.

Mr. WATSON.—Quite so; but I can show special reasons for that.

Mr. DUGALD THOMSON.—Then Mr. Samuel Smith, the representative of labour organizations in the New South Wales Court, said in February last—

Unfortunately the congestion of business in connexion with the Court was largely caused by the introduction of matters that might easily be settled on a common-sense basis. It was simply astonishing to find so many adopting a course which caused trouble, annoyance, and loss to all concerned, when there was really no necessity to apply to the Court at all.

Mr. DEAKIN.—We give the Court power to brush such cases aside.

Mr. DUGALD THOMSON.—Why give the Court power over a long list of minor matters, such as I have mentioned, when the New South Wales Court has already expressed the opinion that many such cases which come before it should not be referred to it.

Mr. DEAKIN.—Exactly; but the Commonwealth Court will be able to brush aside such matters.

Mr. DUGALD THOMSON.—The New South Wales Court can do so.

Mr. DEAKIN.—But not to the same extent.

Mr. DUGALD THOMSON.—It can do so, but is loth to brush them aside.

Mr. DEAKIN.—It has not the specific authority which we propose to give to the Federal Court.

Mr. DUGALD THOMSON.—It is desirable that the advocacy which takes place in the Court should be the advocacy of those who understand the occupation with which the Court is dealing.

Mr. DEAKIN.—We have also provided for that.

Mr. DUGALD THOMSON.—By appointing additional assessors, and in that way increasing the membership of the Court—

Mr. DEAKIN.—When necessary.

Mr. DUGALD THOMSON.—That means more expense. Two experts should be sufficient to explain to the President the technicalities of the evidence. If the explanations of one were not satisfactory, the explanation of the other would be available, and enable the Judge to discover any inaccuracy. In this way the experts could thrash out the case with the Judge, and assist him to arrive at some practical knowledge of the matter in dispute, which should enable him to come to a better decision than he would if the members of the Court possessed no technical knowledge, and knew no more about the industry in which the dispute had occurred, than did the Judge himself—the one feeling that he ought to support the side of labour, and the other that he should uphold the side of the employers.

Mr. G. B. EDWARDS.—Surely the best place for the experts is the witness-box.

Mr. DUGALD THOMSON.—Any number of experts may be placed in the witness-box. We have had experts in the witness-box in the New South Wales Court, yet we have the admission of the members of the Court, in one case, that, at the close of the evidence, they understood nothing about it.

Mr. G. B. EDWARDS.—Judges in our ordinary Courts of Justice have greater difficulties, such as, for example, when they have to deal with mining cases.

Mr. DUGALD THOMSON.—I do not think that any Judge, in our ordinary Courts of Justice, is confronted with the difficulties that face a Judge in dealing with some of the industrial arbitration cases

which present many complications, and require the consideration of a vast number of intricate technical details. An ordinary law suit may be determined on two or three details, but in these cases the whole of the details must be considered.

Mr. POYNTON.—Did not the objections of the Court, to which the honorable member has referred, relate more particularly to the trivial nature of the matters brought before it?

Mr. DUGALD THOMSON.—No. In the case to which I have referred the Court had to request the employés who were a party to the dispute to appoint a skilled man to decide the matter. The men agreed upon the appointment of a skilled representative, and he gave his decision. Then we had the statement of the men that the decision was practically unworkable. They asked for an order that it should be put in operation for a week, and that if it was found to be unworkable at the end of that period further action should be taken. But the Court said, in effect—"You agreed to the appointment of this representative, who is a man of experience, skilled in the business, and he has given his decision." As a matter of fact, he was at one time in charge of the works in question, and supervised the operations of the men, and the Court said to the men—"You will have to abide by his decision. We shall not allow your request that the decision shall be in operation for a week in order to prove whether it is workable, because in that event you might take care to make it impossible to conduct operations in such a way that a satisfactory trial could be made." A number of the matters in dispute were unimportant; but some were of importance, and it was in relation to those that the Judge made the remarks to which I have referred. I quite recognise that the majority of honorable members of this House—and in that majority I do not include myself—are in favour of the acceptance of a measure of this kind. Personally, if legislation in this direction is to be accepted, I should prefer to see an elaboration or extension of the Victorian wages board system, inasmuch as, although compulsory, it more closely approximates to the voluntary arbitration system. In principle it more nearly approaches the system which has been found so effective in Great Britain. In other words, the representatives of each side on these boards understand the business in dispute. They understand its limi-

tations, and to some extent its difficulties and possibilities, when they come to discuss and thrash out the question at issue. If they agree in regard to all or even some of the points at issue, well and good; but if they cannot agree on all, then there is an independent party to decide the points on which they differ. To my mind that is a much more satisfactory system, and one that is more likely to be permanent than is the proposed system of compulsory conciliation and arbitration.

Mr. DEAKIN.—It is a modern adaptation of the old guild system.

Mr. DUGALD THOMSON.—Exactly. But it has this advantage: that, instead of requiring all the industries of Australia to be dealt with by one Court, it allows of a policy of decentralization, and enables different industries to be dealt with by different boards. I am not arguing against the proposal, save on the ground that I do not believe that it will be successful. I shall be pleased if it does succeed. I would infinitely prefer that the attempt to secure the objects which honorable members have in view should be made by means of a measure different from that now before us. If, however, honorable members insist upon the system laid down in this Bill, I, with a view to its success, should much rather see it confined in the first instance to the larger questions which usually give rise to strikes. It is easy to enlarge the scope of a measure, and one may often be destroyed by including too much within its scope at the first attempt to legislate in any desired direction. Experience gained on the main issues which arise between employer and employed would be an infinitely safer test on which to base these legislative experiments than is this extensive basis, which, I fear, will have the results that I have already outlined. There is a proposal to still further extend the Bill by bringing States servants within its provisions. Personally I cannot see any logical difference between extending the operation of the Bill as far as the Government propose in relation to industries in the States and the extension of its operation to States servants. The reasons given by the Prime Minister against this proposed amendment were not, in my opinion, valid ones. He said that—

If the Conciliation and Arbitration Bill embraced public servants, a decision of the Court might have the effect of raising their wages. That would increase the taxation of the State in which they were employed.

The raising of the wages of the men employed in other industries would increase the cost to the people of that State. Then again the Prime Minister said—

But what would be destroyed by the intervention of a Federal authority, whether judicial or not, would be the power of self-government of the States, their control of their own agencies and instrumentalities which they possessed before Federation, and which they have never consciously surrendered.

The same may be said of the industries of the States. I am perfectly satisfied that the States never anticipated surrendering their power over their own internal industries, when they agreed to that section of the Constitution which enables us to deal with conciliation and arbitration. They believed that it applied to disputes with which the States' Parliaments could not deal. I am satisfied that some of the members of the present Federal Ministry who supported the inclusion of that power in the Constitution were under the impression that it applied only to disputes with which a State could not deal. They never anticipated that it would extend to the variety of matters proposed by this Bill. I therefore hold that the argument against the handing over of the State-owned industries to a Federal authority applies to the handing over of the privately-owned State industries.

Sir JOHN FORREST.—Is that proposed?

Mr. DUGALD THOMSON.—Yes; the power of control over States industries.

Sir JOHN FORREST.—I do not admit that.

Mr. DUGALD THOMSON.—That is provided for in the Bill, but the question is whether the House will agree to it. The common rule will apply to every State industry. Those common rules, when multiplied, as they will be, will soon embrace the whole of the industries of Australia, of whatever nature, from the farm to the factory, and from the mine to the sea.

Sir JOHN FORREST.—To what Government industries does the honorable member refer?

Mr. DUGALD THOMSON.—I am referring to private industries. I do not see the distinction in the reasons given by the Prime Minister for not including State servants. If those were the only reasons. I should be found voting against the Ministry on that point. I shall not do that, however. I intend to support the Ministry on that question. I shall do so because I think that we have extended the scope of the Bill too far in trying to control industrial disputes

with which the States can deal, and that therefore a limitation, rather than a further extension, is necessary. The Postmaster-General, addressing a New South Wales audience, spoke of the extension of the provisions of the Bill to State industries as likely to create a sort of Frankenstein monster which would devour its author. The monster has been created in this Bill, and the danger is that it will devour some of the industries now carried on by private enterprise in these States. At all events, that is my opinion. I have expressed it before, and supported it by arguments, and I can only hope that my anticipations will not be found correct. The advocates of the Bill have said that in any case it can do no harm to try the experiment which they propose. I think that that is the most unwise argument that can be used. It must do harm to tamper seriously with the industries of Australia, unless one is pretty sure of success in the endeavour to bring about better conditions. We have every opportunity to experiment. Trials are going on now in the States; we do not need Federal legislation in order to obtain an experiment. Different systems are being tried in different States. Why not await the result of these experiments, instead of superimposing one Court upon another before we have any reasonable evidence of the success of compulsory arbitration, or any knowledge as to which of the systems now under trial is the best? The advocates of the measure say that the only alternative to it is the system of strikes; but even if we pass the Bill, we shall not be secure from strikes. There have been strikes in New South Wales, even in the short period during which the Arbitration Act of that State has been in operation, and, as I have already pointed out, we may be in a worse position under an arbitration law when an award upon some burning question is distasteful to a large body of men than we are in now. It is not sufficient to say that the alternative to the Bill is strikes, because there may be strikes even under this legislation. It is a curious thing that there have been at least as many—I think rather more—strikes in those States in which legislation for the settlement of industrial disputes has been passed since those measures were introduced as there have been in the States of Queensland and Tasmania, in which there has been no such legislation. I do not say that it is not a

desirable thing to try to prevent strikes ; but I contend that it is desirable to know that the measure proposed will effect the object aimed at. I wish now to make a brief reference to statements of the Prime Minister which are either inconsistent with the Bill, or with facts, or with previous remarks made by him. He said in his speech on the second reading that the Arbitration Court has only revealed disputes which previously existed. I do not think that that is a sufficient or an accurate answer to the complaint that the Court has caused disputes. The differences, if they existed at all, did not exist in the form of disputes. But they became disputes. I have shown by the remarks of Mr. Justice Cohen, and of the representative of the labour organizations in the New South Wales Court, that that body was appointed to deal with every matter, how ever trifling, affecting every branch of industry. Since the passing of the Act, disputes have been created which would never have been heard of if it had not been for the existence of these wide powers of the Court. The Prime Minister also said that the tribunal he proposes to create will be very rarely wrong, or, if wrong, then in a very slight degree. I think he would have to import members from Heaven—

Mr. DEAKIN.—They would be less familiar with the matters to be dealt with than those I propose to appoint.

Mr. DUGALD THOMSON. — They might be less familiar with them, but they might possess an omniscience which would be a substitute for experience. We cannot expect omniscience in human beings. If any three men could manage—the Bill practically provides for management—all the industries of Australia they would be the most valuable men on the face of the earth.

Mr. DEAKIN. — They would hear both sides.

Mr. DUGALD THOMSON. — They might hear a hundred sides, but if, after hearing all sorts of views on the practical management of the various industries concerned, they could come to correct decisions in every case, they would be more than human. The Bill gives the Court power to deal with every business in Australia, whatever its character, and to control it to whatever extent the Court may think proper. If, under such circumstances, the Court will be rarely if ever wrong, its members will be men such as, I believe, no other country in the world could produce.

Mr. DEAKIN.—Our State Supreme Courts have a far wider jurisdiction than the proposed Court would have.

Mr. DUGALD THOMSON.—Not in the management of private businesses.

Mr. DEAKIN.—They have continually to consider questions affecting the management of private businesses.

Mr. DUGALD THOMSON.—Whenever they have to do with the management of private businesses, they admit their incapacity by appointing managers.

Mr. DEAKIN.—The Supreme Court has an infinitely wider range of questions to deal with than will be referred to the Arbitration Court.

Mr. DUGALD THOMSON.—Not an infinitely wider range. It could not have a wider range. Questions affecting every industry will be referred to the Arbitration Court.

Mr. DEAKIN.—The Supreme Courts deal with men's relations, transactions, and bargains in every department in life.

Mr. DUGALD THOMSON.—Mr. Justice Cohen has admitted that the intricacy of the work of the Arbitration Court is much greater than that of the Supreme Court. The Prime Minister also spoke of the value of the provision under which the same Court deals with conciliation as well as with arbitration ; but there are other provisions under which separate bodies will deal with conciliation. As a matter of fact, the Arbitration Court is by no means the only judicial machinery provided for. We may have a Court with three permanent members, or that Court with four other members added, or with other members substituted, or two assessors may be appointed, or the Governor-General may appoint at any stage of a dispute a High Court Judge or a Supreme Court Judge to be president during the hearing of that dispute, or the Court may appoint committees of reference for conciliation purposes, in any part of Australia. It may use any State industrial authority that is willing to act, or may create a local board, with the Judge of the High Court or of a Supreme Court as chairman, and it may authorize any person to hear evidence, summon witnesses, and to demand the production of books and documents. All that mass of machinery may have to be multiplied considerably, if it is found that one Court cannot do the work.

Mr. DEAKIN.—The provisions to which the honorable member refers are designed chiefly to remove the difficulty of dealing

with disputes at a distance. A dispute which arose at Broken Hill might be more conveniently heard in Sydney.

Mr. DUGALD THOMSON. — But in some cases reports from Boards of Conciliation have to be referred on from distant places to the Court itself. I am pointing out the complexity and the massiveness of the machinery provided for.

Mr. DEAKIN. — In a sense, the complexity is required to provide for simplification.

Mr. DUGALD THOMSON. — The Prime Minister, in replying to an interjection, said that disputes, not disputants, must extend beyond the limits of a State before the Court could have jurisdiction. But a few minutes later he said —

It may not be a simple thing for a dispute to extend beyond one State, even in the case of private employes, but with the federated organizations there will be many opportunities to bring it within the scope of the Act.

Mr. DEAKIN. — First there is the difficulty of it extending beyond a State at all; but if it does extend, having a Federal organization enables us to deal with it effectively. That is the meaning of what I said.

Mr. DUGALD THOMSON. — Well, I have already alluded to the question of extension beyond a State, and the power sought by the Bill. I notice that the Minister, in providing for arbitration between employes and masters, has not made any provision for the important class of small farmers, graziers, and miners, who work under great difficulties. No Arbitration Court is appointed to render things easier for them. The employers and the employes in the cities may have recourse to the Court, but those who are engaged upon small mining ventures, or in tending their little flocks of sheep, or herds of cows, who are their own employers, and who are entirely dependent upon nature, will gain no advantage from the Court. No provision is made, or can be made, unless Nature is to be a party to the dispute, for them, although they have to pay the piper in bearing part of the cost of an expensive system such as this. They are left to the difficulties heaped upon them by droughts and other disabilities of climate and circumstance; and they will be taxed to pay for this immense piece of machinery, the creation of which, in my opinion, would be justified only if we were sure that its operation would be successful. The Bill is more burdensome than any of the Acts now in force in the States, for the industries in the States, in which there is already similar legislation,

will be under, not one, but two tribunals. The State tribunal will be able to deal with disputes as it likes until the Federal tribunal interferes. The Federal Court, however, may take charge only of part of an industry.

Mr. HIGGINS. — It will take over the whole dispute.

Mr. DUGALD THOMSON. — It may take over either the whole or part of an industry. It may, for instance, deal only with a question affecting wages, and leave other questions at issue to the State Court.

Mr. HIGGINS. — It will exercise its judgment as to whether it shall take all or none.

Mr. DUGALD THOMSON. — If only one question is referred to it, that will be the only question it will decide.

Mr. HIGGINS. — It is not a matter of reference. If a dispute extends beyond the limits of one State the Commonwealth Court will deal with it wholly.

Mr. DUGALD THOMSON. — I have already shown that the Bill seeks to interfere, not simply when disputes extend beyond a State, but with the control of every industry in Australia in every detail. The Court can do that, as the Prime Minister cannot deny, merely by the creation of common rules; and in my opinion there are other provisions which allow for similar interference. It can extend the common rule to every industry in Australia, and to every circumstance of that industry. Therefore I contend that the States Court may deal with an industry, and that the Federal Court, towering above it, may go into every detail in connexion with that same industry, the industry having to work under its decision, so far as that decision goes. Some employes may be subjected at the same time to the verdict of one tribunal in regard to one set of matters, and to the decision of another in regard to other matters. I cannot conceive how such a state of affairs would prove beneficial to the industries of Australia.

Mr. ISAACS. — Everyone in the Commonwealth is subject to the operation of two sets of laws — the States laws and the Commonwealth laws.

Mr. DUGALD THOMSON. — They are not liable to two sets of laws after the Commonwealth has legislated.

Mr. ISAACS. — They may be, because the Commonwealth law may not cover the whole of the ground.

Mr. DUGALD THOMSON.—The honorable and learned member cannot draw me aside on that issue. In the case I am now discussing we shall have two sets of laws for the management of the industries of Australia. There will be two managers for every industry, and one may take control over one set of affairs, and the other of another set. I cannot think that that will be good for the industries of Australia. The Prime Minister stated that the opponents of the measure considered that it was conceived in the interests of the employes only. I do not take that view. If I thought that the measure were calculated to confer a benefit upon the manual workers of Australia I should be very much inclined to support its principle in some modified form, because, as I have previously mentioned, we cannot really benefit such a large section of the community without conferring advantage upon the whole. I believe that the Bill would impose a serious burden upon our industries, and might deprive some workers of their occupation.

Mr. DEAKIN.—The honorable member must remember what was stated by a member of the New Zealand Legislature.

Mr. DUGALD THOMSON.—I admit that in times of great prosperity all difficulties may be overcome.

Mr. DEAKIN.—It is contended that the New Zealand Arbitration Act has brought the sweating employer up to the level of others.

Mr. DUGALD THOMSON.—I quite agree that it is desirable that those employers who reduce wages unnecessarily should be brought up to a higher level. But I say that the best means of achieving that result is by unions among the workmen, and by resort to voluntary arbitration. I do not believe that under adverse circumstances the Bill will accomplish what is desired. The successful conduct of industry must depend largely upon the intelligence exercised in its management, and if capital—which, accompanied by intelligence and skill, gives the greatest stimulus to employment, and, by creating demand for labour, tends most to the increase of wages—is discouraged, we shall do harm and not good. If we encourage capital, skill, and enterprise, we shall stimulate employment, but I am afraid that the effect of this measure will be to discourage enterprise and skill, and also the investment of capital, and such results must seriously re-

act upon the workers of Australia. If I am wrong, and if, despite all the difficulties which I apprehend, this and similar measures result in removing the evils connected with our industries, without at the same time inflicting any injury upon them, I, for one, shall rejoice.

Mr. KELLY (Wentworth).—I had not intended to speak until I could tabulate my notes, and make a concise and full statement of my views upon this very important question. I find, however, that no other honorable member is very keen to speak at this stage, and therefore I have to take time by the forelock. It seems to me that recent events have carried us beyond the original intention of the Bill, which is stated to have relation to conciliation and arbitration for the prevention and settlement of industrial disputes extending beyond the limits of any one State. Now we find that the labour unions are amalgamating, or propose to amalgamate, upon a Federal basis. If a dispute occurred with a union in New South Wales which was amalgamated with a similar organization in Victoria, the dispute could be regarded as extending beyond the limits of any one State, and could therefore be brought within the jurisdiction of the Federal Arbitration Court. That is the way in which I read the Bill. Suppose, for instance, that the Tailors' Union in Sydney were amalgamated with the Tailors' Union in Melbourne, and a dispute arose in Sydney, the employes there, if they were not satisfied with the award of the State Arbitration Court, might appeal to their Melbourne confreres to bring about a dispute covering a larger area, and thus afford them an opportunity to appeal to the Federal Arbitration Court.

Mr. DEAKIN.—The same grievance must exist in both States.

Mr. KELLY.—That could be arranged without much difficulty, and I believe that could happen under the provisions of the Bill. What is the position in the States with regard to conciliation and arbitration? We find that in three States the compulsory principle has been adopted, whereas in three other States the fact that it has not been adopted looks as if it is regarded with doubt or absolute hostility. These States have representative Government, and if it be right for us to interfere in the affairs of the Transvaal because that Colony does not possess self-government, it seems to me clear that we should lack justification for interfering in

the affairs of three of our own States which enjoy that privilege. If these States had desired, they might have adopted the principle which we now seek to force upon them. As they have not elected to do so, we should not interfere with their rights as States by bringing pressure to bear in the way proposed. My main objection to the principle of compulsory arbitration is that the application of the common rule appears to be absolutely essential to its easy working. The common rule and the minimum wage will operate with special harshness upon the small employers. Those managers of industry will gradually drop out and leave the field to the large employers only.

Mr. STORRER.—Why?

Mr. KELLY.—Because the small employer always feels most keenly the hardship attaching to new and restrictive conditions. Legislation of this character has had the effect of knocking out the smaller employers in New South Wales. I represent a constituency which contains perhaps as many shopkeepers as any in Australia, and I know that the effect of certain legislation in New South Wales has been to drive out of business a number of small shopkeepers.

Mr. ROBINSON.—The honorable member for Bourke stated that the effect of such legislation in Victoria had been to knock out the small employer.

Mr. KELLY.—The minimum wage, which is a vital principle of the Bill, practically becomes the maximum wage.

Mr. MAUGER.—That is not borne out by Victorian experience.

Mr. KELLY.—The honorable member might wait until he hears my argument fully before he replies. The minimum wage principle, which practically means a maximum wage, has the effect of denying to the workmen the opportunity to rise from the ranks of labour and become commissioned officers. In other words, they have no chance of entering into business for themselves.

Mr. TUDOR.—Where does that occur?

Mr. KELLY.—It is occurring every day. Where have all our capitalists sprung from but from the ranks of labour?

Mr. TUDOR.—Would an Arbitration Act prevent that?

Mr. KELLY.—The principle of the minimum wage levels up, but also levels down, and prevents workmen from rising above their fellows and becoming recruits to

the ranks of employers. One of the principal safeguards of our present society is afforded by the constant change of the employé into the employer, and if we restrict the operation of natural laws in this respect we shall adopt a very dangerous course. Whilst under a restrictive system such as that now proposed, the employé cannot rise to the position of an employer, there is nothing to prevent the incapable employer from being crushed out. Therefore, we shall gradually have fewer and fewer employers, until eventually there will be only the State left. I was very much amused on opening a letter to-day to find myself confronted with a question, printed in black type—"What is socialism?" That seemed to be very much in the nature of a puzzle, but I think that the enterprising journalist who prompted that question would soon find his answer if the Bill now before us were to be allowed to operate for a term of years. If the principles of the measure now before us were fully applied for a generation, we should, in those pleasant days, find that an honorable member's child would be born in the State hospital, and forthwith be handed over to the State matrons—because personal ownership in babies would no doubt be sternly discountenanced. The citizen would probably be wedded, if it were thought advisable, to a State wife, and he would go down the path of years until eventually he would be handed over to a State Board of Extermination, and undergo euthanasia in the State lethal chamber. That would be a very happy age. To come back to the unhappy state of things existing to-day, the two principles of the common rule and the minimum wage would probably act in such a way that the State would eventually become the only manager of enterprise in the Commonwealth. We find that it is proposed to erect a Court upon practically the same lines as that which has been established in New South Wales, upon the bench of which there is a representative of labour and a representative of capital. In New South Wales we find that the Court is practically a ring in which two of its judges pound each other with 4-oz. gloves, whilst the other holds the sponge. There is nothing judicial about its proceedings. Two of its members are appointed for a period of five years, at the end of which time they present themselves for re-election. In such circumstances, they are constantly "barracking" for their own side. I do not think it is either creditable

or useful to the community to have individuals able to sit upon the Bench in the capacity of partisans, rather than of Judges. If we must have this principle—and I suppose we must—we should insist that the Bench shall be kept free from all partisanship. I agree with the honorable member for North Sydney that special representatives should be chosen in connexion with each dispute. I am almost inclined to go further, and to say that as far as possible, a man should be ineligible for re-election to a seat upon the Bench as the representative of any particular class.

Mr. SPENCE.—That would make the members of the Court still more partisan.

Mr. KELLY.—I do not think so. I believe that the Judge could be given power to object to any man whom he regarded as elected to act as a dishonest partisan. Of course there are a number who simply regard this Bill as a means of gaining further political influence for the leaders of labour. Personally, I think there is more behind it than that. But whilst we have a trades union acting as an industrial union—as we have in New South Wales—I believe there is a great deal in that contention. A trades union is a voluntary organization. It can frame any rules that it chooses, because the individuals who join it do so voluntarily. An industrial union, on the other hand, is one which the State compels individuals to join at the peril of their livelihood; consequently an industrial union should be kept absolutely free from anything in the nature of political propaganda work, whether it be by way of levying subscriptions for a political fund or of running newspapers. If we are to have industrial unions, not only ought we to schedule the rules which they shall have, but also the rules which they shall not have. If we are to compel persons to join industrial unions, let us make perfectly sure that we do not sacrifice their political liberty as well as their individual industrial freedom.

Mr. TUDOR.—Does not the honorable member think that they know what they are doing?

Mr. KELLY.—I have no doubt upon that point, but it is evident that many persons do not wish to join the trades unions, or they would have done so years ago. This Bill, however, will compel them to join those organizations. The honorable member is aware of the litigation which has ensued for

some time in New South Wales between two of the shearers' unions.

Mr. SPENCE.—Not between two shearers' unions.

Mr. ROBINSON.—Between two unions certified by the Court.

Mr. KELLY.—I will give the House a résumé of what happened between those unions. The Pastoralists' Union and the Machine Shearers' Union held a conference to which delegates from the Australian Workers' Union were invited. The last-named refused to join in the movement. The Pastoralists' Union and the Machine Shearers' Union thereupon registered an agreement. Then the Australian Workers' Union applied for the cancellation of the registration of the Machine Shearers' Union, which application was first of all recommended by the Registrar. The Registrar's indorsement was, however, disregarded by the Court, on the ground that the rules of the Australian Workers' Union contained provisions which might reasonably exclude members of the Machine Shearers' Union from joining it. Then the Australian Workers' Union again applied to the Registrar for the cancellation of the registration of the Machine Shearers' Union. That official once more refused the application, upon the ground that the rules of the Australian Workers' Union had not been altered. The Australian Workers' Union subsequently altered their rules, and renewed their application. By this time the Court entertained the opinion that the behaviour of that organization had not been such as to inspire confidence—

Mr. SPENCE.—When did the Court say that?

Mr. KELLY.—The Registrar said so, and, for all practical purposes, the Registrar, as the representative of the Court, was the Court in this case. The Registrar again refused the application, because of what, to my mind, appeared to be gross misconduct on the part of the Australian Workers' Union. I quote this case with a view to showing the necessity of insisting that all these compulsory industrial unions should be absolutely free from political influence.

Mr. SPENCE.—And the employers' unions also.

AN HONORABLE MEMBER.—They should not petition Parliament.

Mr. KELLY.—Yes; I would treat them all in the same way. I do not think the employers should, as an industrial union, be

permitted to petition Parliament. But I would point out to the honorable member for Darling that the employers' unions are not industrial organizations. That name is merely given to a number of persons who associate themselves together for political purposes.

Mr. HUTCHISON.—Why does not the honorable member tell the employers' unions that they ought to keep out of politics?

Mr. KELLY.—I have told them so. I said, upon the public platform, that I would no more accept the nomination of the Employers' Association than I would that of the party to which the honorable member belongs.

Mr. MAUGER.—The honorable member was very wise in so doing.

Mr. KELLY.—It was not canniness that prompted my action. A revulsion of feeling is being experienced in my State which does not augur well for any of these class parties. Personally, I hate class discussion. I am debating this question absolutely from an impartial stand-point. I repeat that, as far as possible, we should see that these unions have a uniform constitution, excluding all objects other than those drawn up for the easy exercise of the Bill.

Mr. DEAKIN.—Under this measure we take power to control all their rules.

Mr. KELLY.—I do not know that the Bill does that. It declares that the unions shall have certain rules, but it makes no provision as to what rules they shall not have.

Mr. DEAKIN.—But the rules may not be approved.

Mr. KELLY.—Another change that I should like to see is in the direction of enlarging the Registrar's powers, which have been expressly cut down in this measure. If it were not for the alteration that I think should be effected in the constitutions of industrial unions, I would not advocate giving the Registrar any extension of power. My idea, however, is that he should be the watch-dog of the Act, his duty being to see that neither employers' nor employes' industrial unions infringe its provisions. A clerk of the Court would also need to be appointed, as the duties of the Registrar would be too large to enable him to satisfactorily fill both positions. My own view of this Bill is that the principle of arbitration has not been given a sufficient trial in the other States to justify us in embarking upon legislation of this character at

present. Some of us may think that the securing of industrial peace justifies almost any sacrifice. I quite agree that it does, but until we know that we shall secure industrial peace, and until we have ascertained definitely what our sacrifice is to be, we should act with the utmost caution.

Mr. McDONALD.—We should wait another 100 years, I suppose.

Mr. KELLY.—No. I think that another three years might reasonably be allowed to elapse before we engage in this experiment. I can see signs of a falling market in the near future, and, after we have had experience of it under those conditions, we shall be able to speak definitely as to this principle. Until then, however, there is no necessity for this Parliament to do more than the States Parliaments have already done. I sincerely hope that some attention will be given to my suggestion regarding the constitution of industrial unions, and if I have directed the notice of abler men than myself to this very crucial point, I feel that I shall not have spoken in vain at such very short notice.

Mr. DEAKIN.—I think I shall be able to satisfy the honorable member that the provisions which he desires are contained in the Bill.

Mr. EWING (Richmond).—The only question under consideration to-night has reference to the main principles underlying this measure. The point to be decided first is whether honorable members believe in the parliamentary method of reform, or in what has been termed the arbitrament of blue metal. The next question is whether the public servants of the States ought to be brought under this measure. Although I have listened with a great deal of attention, and with some educational result, to the speeches of the honorable member for North Sydney, and the honorable member for Wentworth, I do not think that there is any need to enter into a dissertation on the details of the Bill. There are two main points. The first is whether we believe that our knowledge of history and our experience with regard to the upward tendency and progress of nations entitles us to consider that it is better for a community to deal with its industrial troubles, or to leave the people to find their own way out of their difficulties. The next question is how far legislation of this kind should go. I am prepared to acknowledge,

with the honorable member for North Sydney and the honorable member for Wentworth, that we should approach the consideration of this matter with a considerable amount of diffidence, and with a caution amounting almost to temerity. But we should also approach it in a spirit of hopefulness. We are especially hopeful in regard to this Bill, because a man possessed of any humane feeling would take all the risk that might be involved in passing legislation of this kind, if he believed that it was possible to do any good in this way. I agree with the member for North Sydney that we should approach the question with caution, for if our experience of history and of Governments brings us to any conclusion, it is that in the evolution of every community the best work done by one Parliament may include the destruction of the work of a past Legislature. Even the best laws evolved by Parliament, supported by our more advanced knowledge, and the honest belief of every honorable member must, in the course of a few decades, become obsolete. There may be, in years to come, evidence of the stupidity, barbarism, or unwisdom of those who passed them; and the feeling that what we may describe as the vagaries of the human family causes legislation sometimes to be attended with results different from those expected must make us cautious. How frequently do we find, on looking back as far as we are able—and it may not be very far—that the laws made by Parliaments for the protection of life, property, and trade, have absolutely failed. Passing from this aspect of the case, I therefore grant at once that every honorable member who approaches the consideration of this measure with caution, apprehension, and doubt is possibly on very sound ground. But our experience causes us to press onward. Judging from the views expressed by the last two speakers, some honorable members appear to have the idea that we are living in what is really a dreadful century; that the troubles which beset us in Australia are graver than any which have beset any other nation. That idea can be the outcome of only thoughtlessness or ignorance. There never was a community that did not possess as great or greater troubles than those which to-day beset Australia. I make that assertion with a knowledge of the difficulties which surround us, with a knowledge of the apprehensions and tumult which disturb the minds of many people with regard to

government. Australia is to-day in a more wholesome and solid position, not only with regard to social reform, but in relation to most political matters, than was ever any other community in the history of the world. Entertaining that feeling, let me give honorable members an illustration of the present position. If for example, an honorable member who is an inexperienced father heard his boy complain of pains in the limbs, he would no doubt be anxious about the lad. But a man who is familiar with the cause of the trouble knows that the pain is due to the fact that the boy is growing, that his sinews are stretching, and instead of being anxious about these growing pains, he regards them as harbingers of an evolution. He looks upon them as an indication that the boy is growing. A scientific writer, referring to this subject on one occasion, pointed out that, after all, these tumults, agitations, and difficulties were no more than the growing pains of society. If we view history aright, we must see in strife, in the upward tendencies of the community, in the desire on the part of the people to prosper more and more in the conduct of industries in which labour plays so great and important a part, a sign not of discrepitude, but of virility, which should give any reasonable man great hope of the future. I do not desire to go into any details, but only to deal with those broad principles which must appeal to all men, and which lie close to the root of national reform. Without these principles all methods of Parliamentary reform are useless; without them measures of this kind are purely experimental. The honorable member for North Sydney, when thinking over the apprehension that he feels with regard to the difficulties which beset this community, should cast his eyes to a country in which there are no strikes or industrial troubles. Let him look at China.

Mr. DUGALD THOMSON.—There are many strikes in China.

Mr. EWING.—Now and again a revolt of Boxers occurs there, and gives rise to trouble. But we know that the Chinaman is satisfied to end his life as he began it. He is satisfied to have the same environment in which his father lived. He has no hope of advancement, no hope of any great national purpose to be achieved, and lives simply a dull, material life. China is in a state of what I have previously

described as national hibernation. She is in a condition of national, mental, physical, political, and ethical hibernation. I do not desire to enter into a discussion of the fiscal issue, although we all know that honorable members opposite at once become alert when the question of cheap labour is brought forward. In China, the people have no hope of advancement, and there there are no strikes, no trouble.

Mr. TUDOR.—What about the strike of Chinese cabinet-makers in Little Bourke street?

Mr. EWING.—No doubt they have become Australianized; but, generally speaking, honorable members know that if we turn to a nation undergoing a long winter of intellectual stupor, we find that it has no strikes or difficulties of that kind. Therefore, instead of regarding the ordinary growing pains of society as a serious matter, we should look upon them as indications of better times. The honorable member for Wentworth and the honorable member for North Sydney do not desire arbitration. They believe it to be a bad principle. One hundred years ago another nation considered that any interference with the affairs of the people was wrong. I refer to France, and I should like honorable members to bear with me for a moment or two while I speak of that class of thought which dominates the honorable members to whom reference has been made. It dominated France towards the end of the eighteenth century, when the upper classes, so-called, or the second class, as described by an honorable member here, controlled the country. This is a matter which absolutely deals with the point at issue. It is a question of parliamentary reform, or the survival of the fittest.

Mr. KELLY.—The principle of arbitration was enacted in France by the greatest tyrant she ever had.

Mr. DEAKIN.—After the Revolution.

Mr. EWING.—If the honorable member had lived in France in those days—and I am glad that he did not, for in that event we should not have him here—he would have thought, had he belonged to one of the classes, that the masses had no rights at all.

Mr. KELLY.—On the contrary, I think that the masses have political and individual rights.

Mr. EWING.—I do not understand exactly what the honorable member means;

but I know that the opposition to the principle of conciliation and arbitration, and to the legislation of the great democratic platform generally is based upon the principle of free will and the survival of the fittest. Those are the two forces which stand in practical antagonism to the parliamentary method of reform.

Mr. KELLY.—The question of individualism has nothing to do with the question of the aristocracy in France.

Mr. EWING.—I shall show the honorable member that it has something to do with it. If I were to ask him when the Reign of Terror occurred in France he would say that it was during the time when they carried the "fairest born of the people" on tumbrils to the guillotine and when the streets ran blood. But the real Reign of Terror was not then. It had existed for hundreds of years before. It existed when there was a class living in its battlemented towers, while the people crouched in hovels outside their gates; when neither honour of woman, the results of industry, the labour of the community, nor wealth was safe. That was the real Reign of Terror in France.

Mr. KELLY.—Is the honorable member likening that period to the condition of affairs in Australia to-day?

Mr. EWING.—I am not. I am simply endeavouring to explain that we should be influenced by the methods of the past. To go a little more fully into this question of the French, to which the honorable member for Wentworth has pinned me, although when I referred to it, I had no desire to go into details, I would ask him why did the Reign of Terror which cast such a lurid glare over the pages of history occur? The answer is, that it was largely due to the absence of any measures of this kind to deal with conflicts between the classes. The embankments were kept too high, there were no sluice gates through which public opinion might pass, and the result was that the great masses of the French people burst through the barriers. Then followed what the honorable member has erroneously termed the Reign of Terror. The incident referred to must surely teach the people that it is better to have parliamentary methods of reform or unredressed grievances than to perpetuate quarrels between individuals. It is better that the people, through Parliament, should gradually bring into existence a better state of things than that those

who are down should be forced to fight for better conditions, merely because there is no alternative. I have, in this Chamber, before referred to the example furnished by English history of the results which have followed the obtaining of reasonable control by the mass of the people. A few centuries ago, when the barons held sway, a nobleman could not cross the drawbridge which spanned his moat until he had cased himself in armour, and had gathered his retainers around him; and even then he could not go half-a-mile beyond his boundaries without the risk of being destroyed by some other nobleman who was similarly situated, so that few of them lived out half their days. If any one had entered the castle of such a person, and had told him that the time would come when the serfs without his gates would aid in governing England, when the nobleman would be wealthier and safer, so that he could go from end to end of the kingdom without let or hindrance, that person would either have been relegated to the dungeon, or laughed out of the hall. Honorable members should remember that we are now dealing with the question of how best to control industrial management by the people through Parliament. What is the alternative? The alternative is might. The alternative is war. Might and war have existed for centuries, and what has been the result? Honorable members who smile at my statements cannot deny the basic facts from which a reasonable man argues. They are the facts which underlie the agitation of the party sitting in the horseshoe bend, and of every man who is entitled to be regarded as progressive. Governing this subject is the one salient question—are we to have revolution by war or revolution by constitutional government? The reference to the French Revolution naturally turns the mind to the English Revolution. When the English people wanted a revolution, what did they do?

Mr. HIGGINS.—They cut off the King's head.

Mr. EWING.—The execution of Charles I. is not what is known as the English Revolution. That revolution took place when the people of England allowed their King to abscond, and sent over the water for a Prince, who had married his daughter.

Mr. SPEAKER.—Does the honorable member think that this has anything to do with the Bill?

Mr. EWING.—I shall connect my remarks with the subject under discussion to,

I think, your satisfaction, sir, and in compliance with the rules of the House. They made that Prince the successor to the throne, exacting from him only one promise—to govern in accordance with the will of Parliament. He, dying without an heir, the throne was given to an estimable lady, another daughter of the absent ex-monarch, then living near London, and she, dying without issue, a prince was brought from Hanover, with whom the people were not prepossessed, but who, they knew, would serve their purpose. Each of these sovereigns and their successors promised to govern by and in accordance with the will of Parliament, and they kept that promise. That was the real beginning of our constitutional government, and the origin of legislation such as that we have now before us.

Mr. KELLY.—Legislation of this kind originated in Elizabeth's reign.

Mr. EWING.—The constitutional interference of the people in these matters has been possible only since we have had the constitutional arrangement to which I refer. By electoral laws, reform laws, and other legislation, labour, industry, and wealth have become safer in Great Britain to-day than they ever were before.

Mr. ROBINSON.—And without legislation such as that now proposed!

Mr. EWING.—The whole trend of the legislation to which I refer is in the direction of this Bill. But legislation of this description has always been opposed, and always will be opposed, by those for whom it does most. Whatever is done to elevate the masses and place them in a better position, still more is done for the industrious and the wealthy. Imagine the position of a wealthy man, if he had to fight for his own hand, without the support of public opinion, and the protection of the police! Very few of us would desire to be wealthy under those circumstances. But how is the legislation to which I refer viewed by the well-to-do, who benefit so largely from it? For example, one may be asked to the house of a prosperous man, and after an extremely good dinner, the host, the typical commercial man, of ordinary ability, and not distinguished for his philosophical thought, or his philanthropic deeds, lies back in his chair, and tells you, knowing you to be a member of the Federal Parliament, that the country is not worth living in, that it is going to the dogs. We hear that every day of our lives from

very ordinary persons, who are surrounded by comfort, and have everything that they reasonably require. They may be persons whose commercial value for manual labour would be about three shillings a week, and who, as clerks, might possibly earn £1 a week, but who by accident or inheritance have been placed in possession of much. The next indictment the host may make against the Federal Parliament is its responsibility for the legislation which brought about the detention of the six hatters. It has not dawned upon those who refer to that case, although it is months since it happened, that almost every country in the world, Great Britain included, contemplates similar legislation. Then these men, who have so much, and may be worth so little, speak of the *Petrian* case. It has not occurred to their stodgy intellects that this case was simply a crafty political electioneering squib, started by an able press, which rightly appreciated the intelligence of the men with whom it had to deal.

Mr. SPEAKER.—Have the honorable member's remarks anything to do with the Bill?

Mr. EWING.—I submit that they have. I am showing that men of a certain type are opposed to reform, because they believe that legislation such as is now proposed will bring about destitution and ruin, whereas their circumstances show that that attitude is utterly unjustifiable. It is held by them that, under any circumstances, arbitration and conciliation must mean absolute ruin. Does not one feel inclined, when dealing with such men, to tell them in plain earnest, to how little, if might were right, their strength and intelligence would entitle them? One might well become indignant, if, under the circumstances, it were worth while, with those whom legislation permits to have and to control so much, and who yet so stolidly oppose all reform. But this spirit of opposition will always exist. It lies at the base of the speeches delivered by the honorable member for North Sydney, and the honorable member for Wentworth. It is the experience of the past, the onward and upward tendency of communities, that we must regard, not small details and trivial objections as to the possibility of the Court doing this or that. For those who read the history of the nation, there is but one conclusion, that what Parliament has done for the safety of the King's highway, it can do for the improvement of the relations of trade and

commerce. Our knowledge of the past should make us hopeful for the future.

Mr. KELLY.—In the past arbitration legislation has been tried and abandoned.

Mr. EWING.—Before leaving the historical argument, I will grant one thing to honorable members opposite, that nothing entitling the doer to high position in the eyes of posterity has ever been done by men to whom an eight hours day or similar privileges were of any importance. Everything worth doing has been done by men of ability and strength of purpose, who gave their whole lives to their task. When the Minister for Home Affairs was an explorer, did he bother about the eight hours day? No. He did his work when he could do it. So with the inventors. Those men who have taken a high position in the world stand before us as beacon lights to show us that what we have to do should be well done. They have totally disregarded legislation of this kind, and they have thrown their whole life into the work ready to their hands. Do honorable members suppose that the position of Speaker of an Assembly such as this was ever achieved by working only eight hours per day? It could not be attained except by bringing a trained intellect to bear upon the acquirement of information, and by working to the full limits of physical endurance and mental power. Everything that has placed a man above his fellows has been accomplished by working for longer hours than the democratic party would now permit. It has been a case of the survival of the fittest. All our ablest generals, all our best explorers, all our most capable inventors, all our most gifted musicians who have left behind them symphonies to charm the ears of millions, have done their work strenuously, and without any regard to legislative restrictions upon labour. In this connexion I am reminded of the conditions of daily life in some parts of Australia, in the description of which I shall probably be borne out by the honorable member for Gippsland. Along the eastern seaboard of Australia, in New South Wales, and along the southern seaboard of Victoria, are great forests. There, as soon as the morning breaks and the mists lift sufficiently to enable the axeman to see where his axe will fall, he is at work, at which he continues all day long. When twilight comes, and the work of felling timber can no longer proceed, the sound of hammers may reverberate through the forests nailing the slabs

which have been hewn throughout the day. These are no eight-hour men. The honorable and learned member for Illawarra knows how men, such as I have described, have performed their work. Although these men have triumphed by their resolution, their vitality, and strength of industry, not one of them would say that we should permit men and women to stand for fourteen hours a day without a seat behind counters in the city. They would agree that factory legislation was necessary to ameliorate the conditions of the workers in the city, and would say that the capital and labour, which form our two great national assets, should not be allowed to tear each other to pieces. Every one of them would say that Parliament should do its best to bring about industrial peace. A passing reference to the statement that we are doing well enough will not be out of place. Are we doing well enough? The honorable member for North Sydney, one of the most intelligent and modest representatives in this House, is under serious apprehension as to the cost of the proposed Arbitration Court. Is he aware that the Commissioners for Labour in the United States report that from 1880 to 1900, 22,793 strikes occurred, which affected 117,509 establishments?

MR. DUGALD THOMSON.—I say that the Bill will not have the effect of preventing strikes.

MR. EWING.—What would the honorable member do if he saw two persons fighting; would he not endeavour to stop them? I have already stated that we should proceed in this matter with great caution, but I hold that we should not be turned aside from the object which we desire to attain by any consideration as to the cost of establishing the proposed Court. The loss to the workmen through strikes in America for the period indicated amounted to £55,000,000, whilst £24,500,000 was lost by the employers, the total loss being £79,500,000. The honorable member has stated that it will cost a great deal to establish the proposed Court, and I am endeavouring to show what will be the cost if we do not create such a tribunal.

MR. DUGALD THOMSON.—I contend that we shall still have strikes.

MR. EWING.—We should at least do our best to prevent them. The South Wales miners' strike in 1898 kept 100,000 colliers idle for five months. The great mining dispute which was settled by Lord Rosebery kept idle 300,000 men for many

weeks, and involved a loss of millions of money. The cotton strike in Lancashire extended over twenty-two weeks, and threw 50,000 men out of employment for that period. The great engineers' strike in 1897 involved a loss of wages to the men of £3,255,000; the union pay, levies and loans amounted to £925,000, the savings expended represented £500,000, and the loss to the employers amounted to £5,776,000, the total loss amounting to £10,356,000. Surely honorable members will see that this matter is of sufficient importance to demand our serious attention. I have obtained these figures from the Hon. W. P. Reeves, the very able Agent-General of New Zealand. I express no opinion with regard to them, but Mr. Reeves is inclined to think that the estimate of £10,356,000 is rather too high. I do not propose, however, to quote Mr. Reeves' comments, because, perhaps, he may be regarded by some honorable members as too democratic. The strike of glass-blowers at Charleroi involved a loss of £400,000, and many other instances might be quoted in the same connexion.

MR. WILKS.—Then there was the great maritime strike in Australia in 1890.

MR. EWING.—Exactly. In dealing with a matter of this kind, it is only necessary for us to draw upon our own experience. Let us assume the existence of a strike in connexion with the ferry service from Sydney to North Shore, and imagine the most conservative of men coming down to Milson's Point, with the intention of going across, as usual, to his office in the city. The ferry employes would tell him that they did not intend to work, and the employers would inform him that the boats were not to run. What would he say? He would ask—"Do you mean to tell me that I am not to be conveyed to my office, because you are quarrelling as to the conditions upon which the boats shall run? Do you not see that you are interfering in a public matter?" Would not that conservative citizen consider it right for the State to refuse to allow such men to strike, and to insist that the work should go on for the benefit of the public, who have to pay for it? After all, who pay the wages of the ferry-boat employes, and the dividends to the shareholders in the companies? The public.

AN HONORABLE MEMBER.—Who pay the calls?

MR. EWING.—The public pay them every time. The matter is a public one,

and the community should not be made to suffer whilst two parties throw stones at each other, and hit the public with most of the missiles which leave their hands.

Mr. WILKS.—The honorable member might point to the fact that the Arbitration Court in New South Wales prevented a strike of the kind, to which he is now referring, not more than three months ago.

Mr. EWING.—The question for our consideration is not only how this Bill would affect the employers or the employes, but how the resources of the country can be best developed. It should be our endeavour to prevent any interference with the progress of the community, whilst securing reasonable consideration for all classes. I take it for granted that the great majority of the people are in favour of the principle of conciliation and arbitration. Although doubts upon this point are expressed by some honorable members, there are very few men who do not believe in the principle and who would not like to see it applied. I now come to the very important question, whether the public servants of the States should be brought within the scope of the measure. There is not a single member of the House who does not entertain the most serious doubt as to whether any attempt which may be made in this direction can succeed. A vast majority believe that no such effort can be successful. No doubt to-morrow evening we shall have dissertations from the lawyers upon the matter; but how does the proposal strike a layman? First of all, the States have entered into a federation—not a unification. To prevent friction arising between the Federal and the State authorities it was laid down that certain departments should be transferred to Commonwealth control. In regard to those departments the Federal authority is supreme; but in regard to the other departments, the States possess sovereign power. I repeat that we have entered into a federation, not a unification. If this Parliament interferes with the departments which are under the control of the States it will create that friction which federation was specially intended to avoid. It is specifically laid down in the Constitution that the acquisition or construction of railways can be entered upon only with the consent of the States. The reply of every honorable member who was asked during the referendum periods anything in regard to the Works, Lands, or Railway Departments was that the Commonwealth Parliament had nothing whatever to do with

those Departments. The States alone are concerned with them. Moreover, a vast majority of the public servants of the States do not desire to be brought under the provisions of this Bill. It appears, therefore, that we are endeavouring to seize powers of which no one suspected we were ever possessed. Nobody imagines that this Parliament has anything to do with Departments which remain under the control of the States. Some honorable member may say, "Suppose that a civil servant is a citizen of New South Wales. Surely he has a right to go to the Arbitration Court of that State for redress of his grievances."

Mr. BROWN.—But he is also a citizen of the Commonwealth.

Mr. EWING.—Exactly. The argument was used last session, that a citizen of New South Wales should receive all that the State could give him. But let honorable members imagine a judgment being given by the New South Wales Arbitration Court in reference to the amount of money which shall be paid to our servants, either in the Defence Force, or in the Post-office. What would happen? We should probably tell the Court that we had a perfect right to manage our own affairs in our own way, and we should refuse to pay any attention to its decision. In the same way, the States will disregard any action of the Commonwealth in this direction. Honorable members know that there is a vast amount of work before this Parliament. But instead of doing that work, we are asked to turn aside to undertake duties which unquestionably belong to the States. What will be the result? Is it not perfectly clear that the Commonwealth Parliament is not too popular in many parts of Australia?

Mr. HIGGINS.—Does that affect the honorable member's vote?

Mr. EWING.—Nothing affects my vote except rectitude and party responsibility. Although we are not affected by it, there is no doubt that Federation is not so popular as it might have been. Why? Because it was established at a time of great stress, when nature refused to yield to labour a fair return for farming operations. This Parliament is temporarily unpopular, because it has governed in time of drought. Now we are invited to seize the opportunity to fling our gauntlet in the face of the States. We are asked to tell them that they are not competent to manage their own affairs, and that since we left their legislative halls, there is

nobody left who is fit to govern them, or to deal fairly with State servants.

Mr. THOMAS.—Does the honorable member believe that?

Mr. EWING.—No; but I believe quite a number of things of the honorable member to which politeness forbids me to give expression. We are neglecting work that we ought to be performing, for the sake of protecting the public servants of the States, who desire no protection, and who have the best masters in the world, namely, the people themselves. I have been in parliamentary life for a considerable number of years, and I have seen Parliaments do some thoughtless and inconsiderate things, but I never knew them to do an unjust thing—

Mr. MAUGER.—What about depriving the public servants of the franchise?

Mr. EWING.—I have even known free-traders to destroy an industry, but in their ignorance they imagined that they were doing right. Similarly, no Parliament wittingly acts unjustly. If the Railway Commissioners of New South Wales wanted the services of 10,000 men to-morrow, they could easily get them from the very flower of our population.

Mr. MAUGER.—The people could get plenty of members of Parliament for £300 a year.

Mr. EWING.—It is a pity that we have some honorable members at £400 a year. Any one who has noticed the individuals who are engaged upon the trams in Sydney, for example, must know that they are not inferior men. But they have the best of masters in the world, every arrangement is made for them which Parliament can make, and they have Parliament itself as a final Court of Appeal to redress any legitimate grievances.

Mr. FISHER.—Does the honorable member think that Parliament is a competent Court to deal with the intricacies of business?

Mr. EWING.—It is competent to express an opinion on the merits of a concrete case. One other allegory to explain my position. A great divine to whom I listened some years ago pointed out that the human family was wallowing in a great morass, and that the best one could do was to assist in pulling a few of his fellows out of it. It appears to me that we have reached the edge of a morass, in which there are a vast number of sheep. The matters which are specifically delegated

to this Parliament under the Constitution represent the sheep, and they are nearly all in the morass at present. Instead of attending to them, we are asked to attend to sheep in the fold of somebody else, and which are fairly comfortable. That is the position of the public servants of the State. They are satisfied to remain where they are, and surely there is no need for us to interfere with them. As it is the Commonwealth Parliament will never finish its work, because there is no plateau upon which a nation can rest. There is no point at which a nation can remain century after century—there is only an Avernus below. We have plenty of work to do, but instead of doing it we are asked to turn aside from what is legitimately our duty and to perform work which belongs to others.

Mr. SYDNEY SMITH.—How did the honorable member vote upon the Arbitration Bill in New South Wales, which is applicable to the railway servants?

Mr. EWING.—Perhaps the honorable member can supply the information?

Mr. SYDNEY SMITH.—That is very amusing.

Mr. EWING.—There are some things which are worse than amusing, and to be absurd is one of them. The honorable member must see that to put one's own servants under an Arbitration Bill is a very different matter from making the measure applicable to other people's servants. We may be told that the provisions of the New Zealand Act extend to its public servants. It does not with the exception of the railway men. We can see at once that the statesmen of New Zealand did not view with satisfaction the principle of bringing public servants under the Act; but that the railway men were so strong that they succeeded in winning their point. It was expedient, and they were brought under the Bill. It is necessary at times to do expedient things in order that more inexpedient things may not occur.

Mr. WILKS.—That is what we propose to do next week.

Mr. EWING.—A Government doing much good is justified in doing many things to keep in office in order that an Opposition that can do no good shall not take its place.

Mr. SYDNEY SMITH.—What about the previous convictions of the honorable member?

Mr. EWING.—A progressive man, like a progressive nation, is not to remain forever in swaddling clothes.

Mr. SYDNEY SMITH.—But it is only a short time since those convictions were expressed.

Mr. EWING.—I have already explained, and as I wish to conclude my remarks I shall not make further reference to it. I would, however, ask honorable members to bear in mind the wide distinction between placing our own officers under the Bill and bringing those of the States under it.

Mr. FISHER.—Will the honorable member support the bringing of officers of the Commonwealth under this Bill?

Mr. EWING.—I would not have so much objection to that proposal. When the Public Service Bill was under consideration in this House not one reference was made to this matter. The proposition in regard to the Public Service is a new one, and has sprung out of the troubles of Victoria. I wish to say a word or two of advice and caution, which honorable members will, I am sure, accept in the friendly spirit in which they are given. A party of reform should be broad enough, and reasonable and temperate enough, to embrace all classes of opinion, provided the members of the party set their faces in the right direction. A reform party, whether it be called the A or the B party, or by any other name, that does not carry on its work in accordance with those definite general principles which I have enumerated, is bound to fail. This Parliament is divided into three parties, and only two parties are required to govern. The party of reform should be broad-minded, and should embrace all reformers. But we are now confronted by an unreasonable party, which seeks to snatch the public servants of the States from the local authorities to place them under the control of the Federal Government, and so to break the compact we made with the States to leave them in absolute control of certain departments. Imagine a man standing under a red flag in a park, and delivering an address. What is the result of his utterances? His ideas of reform may be serious. He may be only in advance of his times; but, because of that fact, and his unreasonableness, he alienates the sympathy of every one who desires to march with him. The police walk past him, and shrug their shoulders. The people simply look at him and pass on. He is nothing more than a Christy minstrel entertainer. The Government of no country trouble about any one who speaks under a red flag in the park. Such men

are unreasonable, and can secure no support. But when men are resolute and reasonable, and when they are determined to carry out certain principles in accordance with temperate ideas, the position is different. If honorable members endeavour to do impossible things, and so alienate the sympathies of all reasonable men, they injure not the evil-doers, but those whom they honestly desire to assist.

Mr. WILSON (Corangamite).—I had hoped that when the House resumed after the Easter recess all the big guns of the Parliament would be here to fire off their heavy shot, either for or against this measure, and that the small shot would be discharged some time next week. Such, however, is not the case, and I have therefore a few small shot which I now desire to fire against the Bill. The speech just delivered by the honorable member for Richmond is, so far as most of its points are concerned, the best I have yet heard in opposition to this Bill. Most of the points which the honorable member made in support of it were certainly points which might have been urged by opponents of the measure. The honorable member has referred to the Reign of Terror as having occurred prior to the actual French Revolution, and it seems to be fitting, when one comes to think of it, that as we are living in the antipodes things should be upside down. The Reign of Terror that we have in Australia and particularly in regard to matters relating to the Federal Parliament, is that the masses are on top and endeavouring to guillotine the classes.

Mr. WILKS.—Are the Government going to retain or lose their position?

Mr. WILSON.—That is a question with which I am not particularly concerned. I do not think it will be a very serious matter for Australia if there is a change of Government. I am satisfied that the resources of Australia, if not of this Parliament, are sufficient to produce a new Government in due course, which will carry out wise legislation for the benefit of the Commonwealth. In moving the second reading of the Bill, the Prime Minister towards the close of his speech said he looked upon it as "the introduction of a noble principle more than a completed plan." I am quite sure that in his hands the noble principles of arbitration and conciliation would be perfectly safe, but we have to remember that those principles, noble as they are, will not long remain in his hands—and that when they pass to others they may not be properly used. On the contrary, they may be considerably

abused. We have to remember that this Bill, by the free introduction of the principle of compulsion, apart from the grand principles of conciliation and arbitration becomes neither more nor less than a coercion Bill. Instead of being known as a Conciliation and Arbitration Bill it should be entitled "A Bill for an Act to be called the Industrial Coercion Act"; or "A Bill for an Act to promote unsettled conditions in all industries to which it can be applied"; or "A Bill for an Act to create discord and strife between master and man."

Mr. SPENCE.—That is only the honorable member's opinion.

Mr. WILSON.—Quite so. I spent some time during the Easter adjournment in reading some of the very admirable speeches delivered on this question by the Prime Minister, when Attorney-General, as well as by the honorable member for Bland, and the leader of the Opposition.

Mr. POYNTON.—The honorable member's reading has been attended with very bad results.

Mr. WILSON.—I have read other speeches on the subject, and so far as I am concerned they have had, as the honorable member says, very bad results. I have failed to find in any one of those speeches, or in any one of the speeches that I have heard in this House, one single reason why this Bill should be brought before Parliament at the present time. Every honorable member who has spoken to this question has admitted that this is distinctly experimental legislation.

Mr. POYNTON.—In this case we have for instance, of all legislation.

Mr. WILSON.—It may be so of initiatory legislation.

Mr. POYNTON.—In this case we have for our guidance ten years' experience of the working of similar legislation in a neighbouring Colony.

Mr. WILSON.—I shall refer later on to our experience of the results of that legislation. We have greater Parliaments and older countries from which we might learn a lesson, and thus avoid falling into a very serious error. We find that the leaders of the great labour parties in America and Great Britain will have nothing to do with compulsory arbitration and conciliation. I am aware that the reasons for this feeling on their part is that labour has not sufficient representation in Parliament. At the same time we have the broad fact that they will have nothing to do with compulsory

conciliation and arbitration. They are in favour of voluntary conciliation and arbitration, which I believe to be the panacea for all industrial ills in this or any other part of the world. We desire a proper feeling to exist between master and man. That feeling has of late disappeared, or at all events it does not exist as it did in former times. We want to see the master considering the man, and the man considering the master. That feeling used to prevail both here and in England in the olden days; but unfortunately strife and discord have been introduced, and now we are floundering in a sea of industrial chaos. In order to show that there is no necessity for this measure at the present time, I should like to point out that we have adequate industrial legislation in Victoria to wisely control such matters as the wages, the hours, and the sanitary appointments provided for employes.

Mr. POYNTON.—The honorable member is against this form of State legislation.

Mr. WILSON.—I am not. I believe that it is very wise for us to have State industrial legislation of this kind to deal with tyrannical masters who are unfit to occupy that position, and who grind down their employes. I have no sympathy with such persons. We have such an industrial system in Victoria, New South Wales, and Western Australia, and also to some extent in South Australia. But this Parliament has nothing whatever to do with the legislation of New Zealand, to which such frequent reference has been made in this House. We are aware that a Conciliation and Arbitration Act has been in force for some years in that Colony. It seems to me, however, that it would be better for the Commonwealth to wait for a few years and see what is likely to be the result of this admittedly experimental industrial legislation in the States which have adopted it. The hand of time has been forced, so to speak, by the Government, who have brought forward this measure to placate the party which contains the main body of their supporters in this House. The Minister for Home Affairs admitted, when speaking on the Address in Reply that the section in the Constitution which enables us to legislate in this direction should not have been passed, and that he had unwittingly assisted in embodying it in the Act.

Sir JOHN FORREST.—I only said that I voted for the provision. I did not place it in the Constitution.

Mr. WILSON.—The right honorable gentleman supported the proposal of the honorable and learned member for Northern Melbourne, and he has told the House that he would not have done so if he could have foreseen what has since happened.

Sir JOHN FORREST.—Certainly.

Mr. WILSON.—Surely we have had quite enough experimental Federal legislation. Is there no sound, practical legislation which the Constitution empowers us to pass, that we may eventually make Federation a success? The honorable member for Dalley, speaking upon the second reading of the Bill introduced last Parliament, said that if it was passed there would be no further use for the paid agitator. I disagree with him. My experience of the industrial conditions of Australia during the past few years, and what I have read of the conditions prevailing in America and England, leads me to believe that there will be an increasing use for the agitator, and that the Trades Hall party will see that he is kept at work in heating the furnace of discord, until the discord is seven times greater than it has ever been in our history before. The Bill at present exempts from its operation persons engaged in domestic service; but it is proposed to make it apply to the public servants of the States. This latter proposal I regard as an unconstitutional attempt by the Labour Party to override the powers of the States, and although I am not an adept lawyer, I feel certain it will be inoperative. My own opinion is that it is an evidence of the vindictiveness of those who rule Parliament from Lygon and Sussex streets. They are attempting to control the State Parliaments because they were not able to interfere in the unfortunate railway strike that took place in Victoria last year. The Bill is altogether too wide in its application. I agree with the right honorable member for Adelaide that it might be made to apply to serious maritime disputes, such as that which took place in 1890 or 1891. It might also apply to mining disputes.

Mr. DEAKIN.—And to shearing disputes.

Mr. WILSON.—Yes. But why should it apply to other disputes which are covered by the industrial legislation of the States? I was sent here to represent particularly the agricultural and dairying industries, and I shall support the honorable member for Gippsland in any amendment to exempt those industries from the operation of the

measure. There is no need to apply such legislation to them, because there has never been any strike or strife among those engaged in such callings.

Mr. G. B. EDWARDS.—It would take a good man to strike successfully against a cow.

Mr. WILSON.—A measure of this kind could apply successfully to the dairying industry only if it were possible to prevent by Act of Parliament cows from giving their milk more than once a day during the week and altogether on Sundays. It would not be at all a good thing for the cow if that were tried. Last Parliament an Act was passed to restrict immigration, but in the Governor-General's Speech we were promised a measure to encourage desirable immigrants to come here. Before that measure is introduced, I would suggest to the Government that if this Bill is passed they should have carefully annotated copies of it given to the High Commissioner, for distribution through the agricultural counties of England, so that those who intend immigrating here may know to what a desirable country they are coming, and under what magnificent conditions they will have to carry out their work. As a matter of fact, if the measure is pushed to extremes, it will force employers to emigrate from Australia. I have not much to say in regard to the common rule, except that I agree with the honorable member for North Sydney that it will operate very dangerously, and will create a great deal of trouble throughout the Commonwealth. We have heard something of the tyranny of the masters, but, under clause 48, which provides for compulsory unionism, we shall have a new kind of tyranny. The Trades Hall party profess to represent labour. As a matter of fact, they represent only about one-seventh of those who work, yet they propose that the other six-sevenths shall be compelled to join the ranks of unionists. I know men who will have nothing to do with the militant unionism of to-day. Yet, under the Bill, if it be pushed to extremes—and the party which has taken it in hand will push everything to extremes—they will be forced into the ranks of unionists. They will be compelled to pay their dues, and to give three months' notice before leaving a union, and orders of Court may be made against them, so that if their dues are not paid their furniture can be sold.

Mr. POYNTON.—Are there any non-union doctors?

Mr. WILSON.—I thank the honorable member for the interjection, because it provides me with an opportune occasion to remark that the Prime Minister has proposed nothing to assist the poor unfortunate lodge doctor whose case is now being discussed in the newspapers.

Mr. THOMAS.—They will be able to form a union under the Bill.

Mr. WILSON.—I should like to read a letter which I have received from a New Zealand employer, a Mr. John Henry Cook, of Nelson, who says—

I am full of business here, and it is not all going smoothly. In fact, under great activity generally, and undoubted prosperity among our farming and pastoral community, there is much trouble and profitlessness in many of our industries, and there is no doubt in my mind that the dinning for twelve or fourteen years of the present Government into the artisans' ears of the fallacy that "Jack's as good as his master, or better," is responsible for a very unruly spirit among our trade workers, coupled with thriftlessness and incessant demands for more money and more leisure. You must bear in mind that all this pothor is fomented among, say, 20,000 organized workers out of, say, 150,000 total workers in this colony, mainly because of their value as a block vote at the poll. There is the main underlying trouble. Signs are not wanting of the employers and general workers definitely opposing the 20,000 continuing to get more than their fair slice of the wages cake. It cannot be gainsaid that the Labour Acts in New Zealand have enabled certain bodies of workmen taking advantage of this legislation to force themselves into a better position as to wages, hours, and conditions of labour, but I feel sure it has been at the expense of the other sections of the community, and therefore, if the thing spreads much further, it must of necessity break down, leaving an after-crop of acute labour troubles. The main argument in favour of the Acts is that they are believed to have prevented the wastefulness of strikes, and that is a large point, so long as it holds good. Our Courts of Conciliation and Arbitration are practically a lower and upper Court, there being no appeal from the Arbitration Court on these trade matters. The Conciliation Boards or Courts have so fallen into public contempt from their decisions, few of which are accepted, that there is talk of leaving only the Arbitration Court in existence, and many disputants apply and remove their case at once to the Arbitration Court (for which there is provision) without wasting time in the Conciliation Court. This riled the labour agitators, many of whom have seats in the lower Court, and frequent guineas per day to be earned when they can get cases on. Moreover, they do not like the contemptuous ignoring of their existence. Our Acts set forth the desirability of encouraging the formation of Trades Unions, and provide for unions of employers, as well as of employés. Hitherto the main gain through the Acts has been to the workers' unions already in existence, and ready to take advantage of the Acts. Slowly the employers are forming up into unions to save their businesses, if possible, by fighting under the same

legislation. But, perhaps, what I not long ago heard a leading workers' agitator say in the Arbitration Court, when the employers scored on a case, sums up the views of many of the workmen:—"If we can't get what we want under these Acts, we ain't agoin' to register under them." By which he means that they count on reverting to other means (strikes, &c., as before this legislation). It is, therefore, legislation only availed of to-day by a small proportion of our workers, pandered to by our Government for the poll value of their vote, and the Courts are incessantly at work over "manufactured" disputes. It is of the very essence of the position that fresh demands are made by the workers or their agitators at the expiry of almost every award of the Court, not demands warranted by any hardship or dispute, but demands usually running to 20 or 25 per cent. increase of cost to an industry in the hope of snatching or squeezing a portion of their demand through the dangerous and uncertain judgments of a Court knowing nothing of the trade questions brought before it, but called on to adjudicate all the conditions for two or three years on, say, a one or two days' hearing. If it were possible for both employers and employed to apply the Acts to settle genuine cases of friction without strikes, then there would be undoubted value in this legislation. There is value in it in relation to hours of labour, and the surrounding conditions, but beyond this it is largely a failure and a burden to the community. I have had several years' personal experience of this matter in relation to coastal shipping, and I say, unhesitatingly, the Acts are being worked by the men, through their unions, as coercion Acts, not as Conciliation Acts, and for the purposes of forcing more and more out of the employers (and, therefore, out of the public), irrespective of the state of trade, or any actual dispute. If I were dictator, I would, so far as my experience and judgment go, limit labour legislation to defining reasonable hours of labour according to the occupation, and to insisting on good sanitary conditions for the worker. A competent board of medical and other men could well agree to maximum hours (possibly six in certain dangerous or unhealthy trades, and ten in others of the more favoured class), and I should leave all the rest to the open conditions of competition. Otherwise you are, when granting this or that improvement of pay, hours, &c., to one section in its isolated case, undoubtedly injuring another section, and, moreover, in this Colony the decisions (affecting largely the cost of our products) are given without any consideration of the main facts that our markets are 14,000 miles away, and not influenced a jot by our increased costs. The Acts, therefore, become at least only a palliative, with very local application.

That is the opinion of a gentleman in New Zealand who has had very considerable experience in business, and who has worked himself up from the very lowest rung of the ladder. I now desire to refer to the position of affairs in New South Wales, by directing the attention of honorable members to the following statement that was published in one of the newspapers some time ago, with reference to the Arbitration Court:—

Of this tribunal it may be said that it is every day growing more unpopular. Officials in unionist and labour ranks are still enamoured of it. They want the Act amended, and Mr. Wise is willing to oblige them, if he gets the opportunity. But a strong current of public feeling is setting in against it, while the repugnance of the employing class is rapidly growing. More damaging to the Act than anything that is being experienced by employers is its own logical operation as affecting the rank and file of working unionists themselves. Owing to the growing scarcity of employment, many members of trades unions are unable to pay up their fees. The law is being invoked to compel them.

And so on, in condemnation of the operation of the Act in New South Wales. No valid reason has been given why this Bill should be introduced at this stage, and therefore I shall oppose it.

Sir JOHN QUICK (Bendigo). — I move—

That this debate be now adjourned.

I understand that several honorable members, who arrived in Melbourne only to-day, desire to speak, and therefore I think that the debate might reasonably be adjourned at this stage.

Mr. STORRER (Bass).—It would be a pity to adjourn the debate at this early hour. If honorable members do not wish to speak, they ought to be prepared to vote upon the motion for the second reading.

Mr. DEAKIN (Ballarat—Minister for External Affairs).—It is most unusual to ask for an adjournment at this hour. I am perfectly well aware that several honorable members desire to speak, and it is my duty to afford them every reasonable opportunity; but it will of course rest with the House to decide. I am reluctant to agree to an adjournment, but should do so rather than deprive honorable members of an opportunity to speak to the motion for the second reading. I trust that if the debate is adjourned now, honorable members will close it to-morrow night.

Mr. McDONALD (Kennedy).—It is extraordinary that honorable members, who have come back here after three weeks' vacation, should desire an adjournment of the debate at this hour. The debate should not be adjourned because some honorable members, who are not present, desire to speak. Some of us are so much interested in this measure that we are prepared to hold our tongues in order to facilitate its passing. When I asked for an adjournment some time ago, at half-past ten in the evening, objection was raised, and the adjournment was secured only after the intervention of the leader of the Opposition.

Mr. DEAKIN.—That was because it was represented that other members desired to speak.

Mr. McDONALD.—Now we find the Prime Minister ready to agree to an adjournment at half-past nine. Honorable members are merely playing with politics when they perform their parliamentary duties in such a perfunctory manner. When they are paid £400 per annum they should be here to attend to public business.

Motion negatived.

Mr. BROWN (Canobolas).—I agree with the honorable member for Richmond that the two main questions presented for our consideration are—first, whether legislation of the kind now before us is required; and secondly, whether it is wise for the Federal Parliament to take action in regard to applying the principles of conciliation and arbitration instead of leaving the matter entirely in the hands of the States? There is the further question—whether it would be wise to make the measure so comprehensive that it may embrace all classes of the community, irrespective of whether they are in private or State employment? Two or three honorable members have denied that any such measure is necessary, but the experience of modern civilization goes to show that the policy of non-intervention is rapidly being abandoned, and that we have reached a stage of industrial development in which legislative interference has become an absolute necessity, in the interest of those directly concerned, and for the advantage of the community generally. A considerable evolution has taken place in industrial matters within recent years. Scientific developments and inventions in connexion with mechanical contrivances and trade processes have introduced entirely new conditions. Whilst the total production of wealth is being gradually increased, the number of those who are actually engaged in its creation is being materially reduced. Moreover, the male portion of the community—the breadwinners of the family—are gradually being displaced by women, who in turn are being superseded by children. Whilst vast mechanical improvements have been effected in the means of production, whilst modern industry has been revolutionized in this particular, the distribution of the wealth thus produced is practically the same as it was in past ages. To my mind that is what underlies the solution of this problem to-day. In support of my contention, I desire to quote from no less an

authority upon the industrial and social tendencies of the age than Professor Huxley, who, in dealing with this aspect of the matter, says :—

I do not hesitate to express the opinion that if there is no hope of a large improvement in the condition of the great part of the human family : if it is true that the increase of knowledge, the winning of a greater dominion over Nature which is the consequence, and the wealth which follows upon that dominion are to make no difference in the extent and intensity of want, with its concomitant physical and moral degradation amongst the masses of the people, I should hail the advent of some kindly comet which would sweep the whole affair away as a desirable consummation.

What we have to consider to-day is whether, with the great industrial evolution which has marked the past century, and which is now at the flood-tide, we cannot remove human misery and all those influences which, resulting from poverty, tend to demoralize our community. This Parliament is intended to govern not in the interests of a few, but in the interests of the whole community. Whilst it occupies that position it cannot afford to disregard the problems by which it is confronted. It must endeavour to bring about a better position in the industrial world. Though the proposed legislation partakes to some extent of the nature of an experiment, that is no reason why we should hold our hands and refuse to do anything. As the honorable member for Richmond pointed out, there must be either progress or retrogression. It is far better for us to attempt to bring about better social conditions and fail, than to remain idle and reap the inevitable results of our inactivity. Some honorable members have referred to the ideal conditions which prevailed in the old times, when master and men worked together amicably, before the advent of labour agitators and labour representatives, and when strikes were unknown. That was a condition which may appeal very strongly to some, but which those who are possessed of any sympathy for their brethren could not tolerate with any degree of good feeling. Legislative intervention is necessary to prevent the unprincipled producer from entering into unfair competition with the man who is prepared to conduct his business upon fair lines. This phase of the question was put very strongly by the *Sydney Daily Telegraph* in a recent article dealing with the great question of sport, which seems to engage so much of the time of Australians. It appears that some trouble was experienced in connexion with a large cycle meet-

ing, at which collusion was proved to have taken place between the riders for the purpose of securing the prizes. The article in question states—

As things are, the public, who have been accustomed to patronize bicycle racing under the impression that it was a clean and wholesome recreation, must have their conscience rudely shocked. And to rehabilitate it is no easy matter. The fact that no less than six of the principal performers in one event have been convicted of collusion to make money at the expense of the sport bears graphic testimony to the demoralizing effects that are to be expected when commercialism is allowed to masquerade in the guise of national pastime.

That is just what we have to complain of in the industrial world. We complain of that very commercialism, the ethics of which are altogether opposed to the establishment of ideal conditions of life. Our Christianity is based upon a recognition of the principle that we should "do unto others as we would that they should do unto us," but this form of low commercialism has sanctioned the principle that we should "do" our neighbour to prevent him from "doing" us. I do not see that it is possible to deal with the evil other than by legislation. This question has engaged the attention of some of the very ablest thinkers upon economics. Professor J. B. Clarke, writing upon the efficiency of arbitration, says—

Arbitration in itself is an appeal to equity, and a departure from the competitive system.

Another learned writer upon political economy—Professor Adams—says—

Arbitration is not the missing coupling between labour and capital, but it is the thing for which at the present time it is practical that working men should strive. Its establishment is the first step towards the overthrow of the wages system.

Then a very valuable report upon this subject was presented by the Commission which was appointed as the result of the great Pullman strike in America. That report sums up the position thus—

1. The Commission would suggest the consideration by the States of the adoption of some system of conciliation and arbitration like that, for instance, in use in the Commonwealth of Massachusetts. That system might be reinforced by additional provisions giving the Board of Arbitration more power to investigate all strikes, whether requested to do so or not, and the question might be considered as to giving labour organizations a stand before the law as heretofore suggested for national trades unions.

2. Contracts requiring men not to agree to join labour organizations, or to leave them, as conditions of employment, should be made illegal, as is already done in some of our States.

3. The Commission urges employers to recognise labour organizations; that such organizations

be dealt with through representatives, with special reference to conciliation and arbitration when difficulties are threatened or arise. It is satisfied that employers should come in closer touch with labour, and should recognise that, while the interests of capital and labour are not identical, they are reciprocal.

4. The Commission is satisfied that if employers everywhere will endeavour to act in concert with labour; that if when wages can be raised under economic conditions they be raised voluntarily, and that when there are reductions reasons be given for the reduction, much friction can be avoided. It is also satisfied that if employers will consider employes as thoroughly essential to industrial success as capital, and thus take labour into consultation at proper times, much of the severity of strikes can be tempered, and their number reduced.

That is practically all that is being sought by those who support this legislation, and, while it is to a certain extent experimental, we have promise of its success. What has been our experience in reference to industrial disputes, not only in Australia, but in all parts of the world? A dispute arises between an employer and his employes, with the result that a strike takes place. That strike means to some extent a loss on the part of the employer, while in some cases it means a much heavier loss to the employes. The employer, with wealth at his command, is not called upon to endure any suffering. He has simply to face a reduction in his annual returns, due to the cessation of labour; but against that position the worker has to pit, not only his own hungry stomach, but those of his wife and children. We know of the dire straits to which a large number of our fellow-citizens in this bright and prosperous country, as well as in the old land, have been reduced by strikes. In view of the suffering and distress which strikes entail on many people, can it be imagined that they are entered into without consideration, and with no real justification? Do not these facts rather point to the view that those who resort to strikes are driven to take that step by the stress of circumstances in which they are called to labour? They have the two alternatives of lifelong poverty or a short struggle, with the hope of bettering their condition. Let me refer honorable members to the Pullman strike in the United States of America. That was an epoch-making strike, which received universal attention, and was carried on with a bitterness that attaches to few industrial disputes. The Commission, whose report I have read, elicited that the company put forth as a reason for the reduction of wages

which led to the strike the commercial depression they were called upon to fight against. They asserted that they were not in a position to finance their undertaking at the high rate of wages which they had been paying up to that time, and which was still demanded by their employes. The inquiry showed first of all that the reduction in the wages of the workers amounted to 22·8-10 per cent., while that relating to the wages of the higher-paid branches of the service was 11½ per cent. It also showed that away back in the early sixties the company commenced operations with a capital of about 1,000,000 dollars, and that at the time of the strike, in 1894, it had a capital of 36,000,000 dollars, which had been earned out of its undertaking. The inquiry showed that 2,520,000 dollars were paid by way of dividends in 1893, while 7,223,000 dollars were paid away in wages. As the result of the strike, in 1894 the company's balance-sheet showed the payment of 2,880,000 dollars by way of dividends—or an increase of 640,000 dollars as compared with the previous year—and 4,471,000 dollars for wages, or a decrease of 2,752,000 dollars. As the result of the strike they showed an increase of more than half-a-million dollars in dividends, and a decrease of over 2,700,000 on the wages sheet. During that rather sanguinary strike some twelve men were killed, over 500 were arrested, and 14,000 of the military and police were engaged to maintain law and order. It is admitted by no less an authority than *Bradstreet's* that the strike cost the American people something like 80,000,000 dollars. Other strikes have since occurred that have been of far-reaching consequence. We have only to carry our minds back to what has happened within the Commonwealth during the last fifteen years. We know that as a result of the great maritime dispute, the shearing and the mining strikes, large sections of the community were reduced to poverty, that the forces of production were narrowed down, and that losses have been entailed which have never been made good. Our experience here, and, indeed, the experience of the world generally, is that whilst in industrial disputes the employes are prepared in nine cases out of ten to unreservedly submit their claims to arbitration, the employers almost invariably refuse to do so. In support of that statement I propose to quote no less an authority than Professor R. T. Ely, a writer of considerable repute on industrial

matters in the United States of America, who will not be considered as expressing a biased opinion. We find that he says, in *The Labour Movement in America*, page 146—

The difficulties in the way of arbitration have come chiefly from the side of the employers, for it is a rare thing when labourers refuse to arbitrate their difficulties with their employers. Few cases of such refusal have ever come under my notice.

Our experience is that when, in the opinion of the employes, there has been an arbitrary and unjustifiable reduction of wages the employers have almost invariably replied to their request for a conference—"We have nothing to arbitrate on; these are our conditions, and you may take or leave them." When they were unwilling to accept those conditions the result was a strike, and then the employers expected the forces of the law to be brought to their assistance in their endeavour to enforce an unwilling compliance with what were very often unjust demands. When workers were unwilling to submit to conditions sought to be imposed and brought about a cessation of industrial operation, the remedy was not to arbitrate—not to consider the conditions from the stand-point of the workers—but to call on the military to "fire low and lay them out." I trust that those conditions have for ever disappeared, and that the workers of this community will have a reasonable opportunity to place their case before an impartial and competent tribunal, so that a proper expression of opinion may be obtained. Hitherto the masses of people inclined to act as a jury, and to test the true merits of a dispute, have had the case put before them from the stand-points of both employer and employed, which are generally as far apart as are the poles. In these circumstances the difficulty has been to secure correct data to enable the public to arrive at a correct decision. The Court, however, will have power to investigate the causes of a dispute, and will be able to place the result of that investigation before the public. Even if it had no other power it would be a mighty factor in the bringing about of industrial peace. The opinion of the great bulk of the people is one which is not likely to be disregarded. It is a power which, when properly focussed, produces results. It is only reasonable that the great body of the public not directly affected by a strike should have an opportunity to learn the true position of affairs. A dispute of

any considerable extent acts on outside industries as well as on the country generally. All persons are therefore interested in it to a greater or less degree, and there should be some tribunal of the kind proposed in this Bill to investigate disputes, and to inform the community, if it does nothing more, of the underlying principles.

Mr. KELLY.—Will the unions in all cases go to the Court?

Mr. BROWN.—I do not know that they will; but if a Court is provided for them, and they unreasonably refuse to take advantage of it, they will have the weight of public opinion against them. They cannot afford to ignore that sentiment. I should view with considerable apprehension the operation of laws upon these industrial questions if the controlling power behind those laws was similar to that which administered the law in the past. Leading unionists in America and in England have been quoted here as favouring voluntary arbitration, and as opposed to compulsory arbitration. I think that they had in the circumstances very good reason for opposing compulsory arbitration. The history of government and of the control of these matters in the past justifies the opinion they formed. In support of that statement I have only to quote from another authority what I think will be generally admitted to be a correct statement of the condition of affairs that actually obtained. I quote from Thorold Rogers. At page 398 of his admirable and great work, *Six Centuries of Work and Wages*, he says—

I contend that from 1563 to 1824 a conspiracy, concocted by law and carried out by parties interested in its success, was entered into to cheat the English workman of his wages, to tie him to the soil, to deprive him of hope, and to degrade him into irremediable poverty. For more than two centuries and a half the English law, and those who administered the law, were engaged in grinding the English workman down to the lowest pittance, in stamping out every expression or act which indicated any organized discontent, and in multiplying penalties upon him when he thought of his actual rights.

That was the condition which obtained under law and order in England for two and a half centuries up to the beginning of the nineteenth century.

Mr. McDONALD.—Thorold Rogers was not a socialist, either.

Mr. BROWN.—He was no socialist, but he described social conditions as he found them. Were that form of government to obtain in the future, as in the past, I

for one should not be prepared to place labour under the heel of such dominance.

Mr. KELLY.—Does the honorable member think those conditions obtain in Australia to-day?

Mr. BROWN.—In reply to the honorable member, I have to say that if some of the gentlemen who strongly oppose this legislation had their way, those are the exact conditions which would obtain in Australia.

Mr. KELLY.—What proof has the honorable member of that?

Mr. BROWN.—Plenty of proof might be adduced in support of that contention. I desire to say to my brother workmen that if legislation is called to their aid in this particular direction, as I hope it will be, it will impose upon them a great and a grave obligation to take a real live interest in the government of their country. It is not enough to give every man and woman in Australia the right to vote if they are to be so little interested in the politics of their country that they will not record their votes.

Mr. KELLY.—Has this measure then got a political significance?

Mr. BROWN.—Undoubtedly it has. That is where the difficulty comes in for some people.

Mr. KELLY.—Politics should be kept out of industrial unions.

Mr. BROWN.—If it had not a political significance I could quite understand a great number of those who are in direct opposition to legislation of this character, and whose petitions against it come pouring in here, not bothering at all about it. It is because it has political significance that we find them so alert at the present time. Thorold Rogers plainly describes the conditions which obtained in old England for two and a half centuries, and judging by the way in which some honorable members have spoken of "the good old times," as compared with what they consider the degeneracy of the present, their desire is that similar conditions should obtain at the present time. To arm the kind of administration which carried out the class legislation of the past with such powers as are provided for in the legislation now proposed, would be but to impose degradation upon the working classes, as it did in those days. I say that the working people of this community, having obtained the franchise, have the matter entirely in their own hands. They have been enabled to work out their industrial salvation through their political salvation, and that is the only way

in which it can be done. I repeat that the matter is now entirely in their own hands.

Mr. KELLY.—Does the honorable member think that an industrial union should have the right to levy a fine for political purposes?

Mr. BROWN.—If the industrial unions did such a thing, they would only be following the example of the employers.

Mr. KELLY.—Employers have no industrial unions. I am not taking a brief for the employer, but for the man who is forced to join a union, and forced to subscribe to its funds, though he may have no sympathy with it.

Mr. BROWN.—He can form a union of his own, in which he can apply his own conditions. The objection is brought against labour unions that they take part in politics; but in doing so, they are following only the example of the employers.

Mr. KELLY.—A trades union can legitimately take part in politics, but when a trades union compels a man to—

Mr. SPEAKER.—Order! The honorable member has already spoken.

Mr. BROWN.—The honorable member reminds me of another quotation. Professor Ely, in his invaluable work upon *The Labour Movement in America*, says that the employé without a union works under very great disadvantages in endeavouring to secure fair consideration from the employer.

Mr. HUTCHISON.—Unorganized labour is the worst paid labour in the world.

Mr. BROWN.—He says, further, that, so far as employers are concerned, the control of great industries is gradually being concentrated in the hands of a few. Hence we have our Pierpont Morgans, Vanderbilts, and all those great American multi-millionaires, controlling the industries of that great country, and practically compelling all the smaller industries to fall into line with conditions under which they are satisfied to work. We have these millionaires going beyond the control of production, and by rings and trusts and corners, endeavouring to control consumption. They secure production at the minimum of cost, and then, by forming rings and combines, they secure the maximum of return for the results of that production. Their operations have ceased to be confined within the boundaries of the great American union. Only recently we learn that distress and misery have been introduced into the cotton mills of England as

the result of the operation of these combines. The matter is now becoming not one concerning a little community, a state, or a nation, but one of world-wide effect. Professor Ely points out that industrialism, to get fair consideration, must combine.

Mr. KELLY.—No one objects to combination.

Mr. BROWN.—I thought that was the honorable member's objection all through. Professor Ely points out that combination has already taken place amongst the controllers of capital, and he says that they will not listen to fair and reasonable proposals from employes so long as they are broken up into sections. It is only when they are combined, and speak not with a thousand or a million separate voices, but when they speak with one voice, and powerfully enough, that the employers will listen to the employes in connexion with any of these matters. He says:—

Arbitration is impossible without labour organization. Capital is combined, and is managed by a few persons even in the largest establishments.

Then he goes on further, after indicating some instances bearing out this contention, to say that—

Capital is one of the factors of production; labour is another, and it also must be massed together to stand on an equal footing.

That is what this great American professor lays down as the principle of successful arbitration. With respect to the prospect of conciliation and arbitration, I may point out that New Zealand has led the way in this matter, as she has done in many other directions. We read at the inception of this policy accounts of what would be the probable effect of such legislation. It was said that it would drive capital out of New Zealand, and that the people would be reduced to a condition of poverty. New Zealand has had about ten years of it, and instead of capital being driven out, and poverty stalking through the land, it is the one place in our vicinity to which those who have not had the benefit of such legislation, but who have been brought under the influence of such laws as are favoured by conservatives, are flocking to find a profitable field for their labour. In New South Wales we have in operation an Act making provision for arbitration. The passing of that Act was not accomplished without considerable difficulty, and the measure is by no means an ideal one, such as the labour organizations would like to have placed

upon the statute-book. It was brought about by a compromise of opposing forces. To a certain extent it was breaking new ground, and its provisions in their full effect could not be measured at the time it was passed. But nevertheless it is giving a fair amount of satisfaction. I am aware that there is some dissatisfaction as to its provisions, and a strong desire to have it amended in a few directions, but at the same time the opposition to it is largely due, not to the failings and faults which have been discovered in its administration, but to the extreme misrepresentation and misstatements with regard to it. Only last week Mr. Justice Cohen had occasion to make reference to these persistent and malignant misrepresentations to which so much currency is given by the opponents of the Act. He is reported in the *Daily Telegraph* of the 9th inst. to have said—

I find that more than one misstatement has been deliberately made regarding the Court. I have seen those statements corrected, but I have never yet seen a disavowal of the original statement. Criticisms passed were frequently founded on misconceptions of what the Court had done. I have often been amused at those, but at the same time I think it is a very great pity that those persons who make those criticisms, do not take the trouble to make themselves accurately familiar with their subject. I see wrong superstructures based on absolute misconceptions. The result is that the public mind gets inflamed by these warm criticisms. If the public mind were properly informed, it would not accept these views.

Later on he says—

There are thousands of people who have not the opportunity to acquaint themselves with the real facts of the case, whose minds are influenced by these criticisms. If proper facts were placed before it, public opinion would not be what it is.

That is not a statement by a trades unionist, a labour agitator, or a labour member of Parliament, but the deliberate opinion of Mr. Justice Cohen, who has the administration of the Act. He declares that public feeling is being inflamed against the operation of the law by misstatements, and that, if the public had an opportunity of knowing the real facts of the case, possibly there would not be that warmth of feeling and that opposition which at present obtain. I believe in a fair fight, and if there is anything in a measure of this kind that calls for just and fair criticism, that criticism is warranted. But when it comes to misstatements made in order to damage this legislation, and to criticisms which call for remarks such as were made by the

learned and impartial Judge who has charge of the administration of the Act in New South Wales, it only shows to what degree the opposition to such measures will sink in order that its enemies may accomplish their purpose. Since they cannot gain their ends by fair means, they seek to gain them in some other way. With respect to the question whether this Bill shall be limited in its scope, I would point out that it is limited by the Constitution itself. It can only apply to disputes that extend beyond the limits of any one State, and which cannot be controlled by the legislation of that State, no matter to what extent the State may be desirous of legislating. It can deal only with disputes of a wide-spreading character. Therefore, I do not suppose that the Bill will be as largely availed of as will the legislation of the States of a similar character. The States legislation can deal with disputes occurring in industries that are largely local; but there are disputes of an Inter-State character such as, for instance, might affect the shipping industry, the great pastoral industry, and possibly a few others. It is absolutely necessary to have legislation that will deal with such disputes, not only from the State stand-point, but from the Commonwealth stand-point also. The framers of the Federal Constitution recognised that it was necessary to arm the Commonwealth Parliament with power to legislate in this particular direction. Therefore the Government are only exercising the powers conferred upon them for the purpose in introducing this Bill. The difference that arises between the Government and the Labour Party is this: The Labour Party do not wish to limit its application. We consider that the Bill should be sufficiently wide to meet every need that may arise; that to have to ask for increased legislation when necessity arose would be a misfortune. The question whether the Constitution allows us to deal with the public servants of the States is one not for Parliament, but for the custodians of the Constitution, for the High Court of Australia. If the Labour Party or any other party insert in our legislation provisions contrary to the Constitution, those who are affected must appeal, not to Parliament, but to the High Court, for the maintenance of their rights. But we also say that it is not expedient or politic that the servants of the States should be specifically excluded from the operation of the Bill, because what is good for them must be good for employes

generally. If interference with the State as employer is not warranted, interference with private employers is not warranted. Fortunately, the Governments of the States have shown private employers the advisableness and utility of paying decent living wages to those whom they employ. They have shown that if good work is to be obtained from employes they must not be sweated; that it is better to pay a reasonable wage, and to give reasonable hours, if the contentment and satisfaction of the employe is sought, and the best results for the employer are to be obtained. The employes of the States are as well off, and in many instances better off, than those in private employment, and I hope that that state of things will continue. There is therefore not much likelihood of an appeal being made to the Arbitration Court by the employes of the States. Furthermore, such an appeal could not be made unless the dispute extended beyond the limits of a State. Therefore, there is some ground for the contention that not much importance would attach to the proposal to apply the provisions of the Bill to the public servants of the States if it had not been for the recent action of the Victorian Government in respect to the railway men of this State. The unfortunate condition of things which then arose was largely brought about by the want of tact and proper management on the part of the gentleman in charge of the Department, who, as a good many private employers are disposed to do, seemed to consider himself entitled to receive, not only the labour of those whom he controlled, but the surrender of their manhood and intelligence. He found that a large number of the railway men were, as citizens, opposed to the proposals of his Government, and he therefore adopted coercive measures, which had unfortunate results. I do not think that the Commonwealth Arbitration Court, if it had been in existence, could have interfered in that matter; but if there had been a way of appeal from the harsh conditions which applied, and the pin-pricks which were so hard to endure, an unfortunate occurrence might have been obviated. There is, however, no reason for excluding a large section of the community from the operation of this measure. Need the Governments of the States fear to appeal to a Court constituted as the Commonwealth Arbitration Court will be constituted? If the Prime Minister had proposed to select a Judge from some lunatic asylum, and to appoint as assessors a couple of idiots, there would have

been some justification for the criticism which this proposal has received. As a matter of fact, we have the assurance that the Court will be constituted of some of the leading judicial intellects of Australia. Is it likely that they will impose upon the Commonwealth or the States unfair and impossible conditions? There is no fear of anything of the kind. But if the authorities of the States have nothing to fear, surely private employers have no ground for apprehension. I shall heartily support the Bill. I think it is a step in the right direction. I do not say that it will solve all labour troubles. They are to be solved, not by revolution, but by evolution, and the Bill is in the direction of evolution. It may not give a complete or correct solution, but it opens up the way for such a solution. We are faced to-day with grave industrial problems, and our future stability, success, and progress depend upon their solution. We must either solve them upon correct lines, or go back to the conditions of barbarism from which we have come. I believe it is a measure in that particular direction, and I fail to see why it should be curtailed in its operation. Whilst I do not think it advisable to say that this class or that class of the community should be specially provided for, I am not going to put in any provision to say that its operation shall be kept within a limitation less than that prescribed in the Constitution, and which must be determined by the Judges.

Debate (on motion by Mr. MAUGER) adjourned.

ACTS INTERPRETATION BILL.

Bill received from the Senate, and (on motion by Mr. DEAKIN) read a first time.

ADJOURNMENT.

ABORIGINES: DEFENCE REGULATIONS: ELECTORAL ACT.

Motion (by Mr. DEAKIN) proposed—

That the House do now adjourn.

Mr. G. B. EDWARDS (South Sydney).—I wish to ask the Prime Minister whether his attention has been drawn to a cablegram from Great Britain with reference to a publication concerning slavery amongst the aborigines of Western Australia, and if so, whether any action has been taken to deny the statement, or whether he is in a position to deny it.

Mr. MAUGER (Melbourne Ports).—I wish to bring under the notice of the Minister of Defence, a matter in connexion with the Defence regulations. It seems to me that they are framed in contradistinction to the Defence Act, which provides that rankers should have an opportunity of qualifying themselves for the highest positions in the service. Provision has been made in the regulations by which a man holding a yachting certificate may be made to qualify; that to my mind very seriously handicaps the sons of working men. Provision has also been made in the regulations for a certain amount of service outside the navy; that is another handicap to men who may have all the qualifications, and who may be prepared to pass the necessary examination. I have no wish to submit a definite motion on the subject, but I hope that the Minister will give the matter his immediate attention, and remove these handicaps to our men.

Mr. O'MALLEY (Darwin).—I wish to ask the Prime Minister if he has noticed in to-day's newspaper that the Chief Justice, in voiding the Riverina election, allowed the costs against Mr. Blackwood, who had no responsibility at all as regards the mistakes of the Commonwealth officials, and if so, whether it is fair and just.

Mr. CHAPMAN (Eden-Monaro—Minister for Defence).—The matter which the honorable member for Melbourne Ports has mentioned will be considered. He is wrong in saying that the regulations are so framed that rankers will not have consideration. The men in the ranks will receive every consideration. All these regulations are so framed that those who are inside the service will have the first call for promotion, but it is necessary, especially in naval matters, that, before men can obtain a position they should have a certain amount of sea experience. As regards the yachting certificate, if a man has had experience in navigating a yacht he is entitled to present himself to be examined, and if successful to obtain a commission, other things being equal.

Mr. MAUGER.—Other men who may have all those qualifications, and a great deal more experience, are to be shut out.

Mr. CHAPMAN.—The honorable member is mistaken. I shall look into the regulations, and if I find any provision which will prevent a man who is in the ranks, and who can pass the examination, from obtaining a commission, it will certainly be removed.

Mr. MAUGER.—Will the Minister give us an opportunity to discuss the matter at another time?

Mr. CHAPMAN.—I shall be very glad to give the honorable member an opportunity to discuss the question. I would point out that all these regulations, military and naval, are merely provisional. I am glad to receive suggestions from any honorable member, and if they are reasonable and in the best interests of either the navy or the military then alterations will be made so that the permanent regulations will be in accord with what we desire, and that is that merit, and not influence, shall count, and that those in the ranks shall have every opportunity of working their way up.

Mr. SYDNEY SMITH (Macquarie).—The matter which has been brought under the notice of the House by the honorable member for Darwin is an important one. Already two elections which cost considerable sums to the candidates and the Government have had to be voided owing to the way in which they were conducted by the electoral officials. In view of the important decisions which have been given by the Court of Disputed Returns, and the irregularities which have been disclosed, it seems to me that the Government ought to institute a searching inquiry into the conduct of the recent elections, with the object of seeing whether they cannot so arrange matters as to prevent the possibility of those mistakes occurring in the future. I feel quite sure that if another general election were to take place it would be found that not two petitions, but a large number of petitions, would be lodged against the returns. I believe that very few honorable members would be able to go through the ordeal of an inquiry such as has recently been held.

Mr. MAUGER.—At the last Melbourne election there was a very great improvement.

Mr. SYDNEY SMITH.—That case has not been inquired into. My honorable friend must remember that it is much more easy to conduct an election in the city than in the country districts. Already very important irregularities have been discovered, and it may be taken for granted that other irregularities have taken place. In the interests of Parliament itself an inquiry should be instituted into the conduct of the recent elections. The Government should take into their favorable consideration the proposal made by the honorable member for Darwin, because there is no

doubt that the mistakes occurred through no fault of the candidates. I think that both the Melbourne and Riverina cases should be inquired into and dealt with. When similar mistakes have occurred in New South Wales it has been decided—I think on three or four occasions—that the amount of the expenses should be refunded to the candidates.

Mr. KENNEDY (Moir).—In the event of another general election we might have practically seventy-five petitions, speculative or otherwise, lodged against the returns, and according to the decisions of the Court of Disputed Returns, which I do not think could be fairly questioned, in two cases the election has been voided, not through any fault or dereliction of duty on the part of the candidates, but through some informality on the part of the electoral officials, which has practically disfranchised electors. It was not a question as to what constituted a majority of votes. The elections were declared void simply because some electors were disfranchised. Consequently it is absolutely unfair that the whole of the expense should be borne by the candidates. If an inquiry were made some defect or informality would be found in connexion with the postal votes cast in every electoral division, and therefore, no matter how great the majorities secured by the successful candidates, all the elections would, according to the decision of the High Court, be declared null and void. I hope that, in view of the fact that the elections were to a very large extent experimental, so far as the administration of the electoral law was concerned, the Government will take into consideration the question of defraying the cost incurred by the candidates in those cases where the elections have been voided.

Mr. DEAKIN (Ballarat—Minister for External Affairs).—I have not had the advantage of reading the judgment assigning the reasons of the High Court for voiding the Riverina election. Honorable members are probably aware that the officers engaged in electoral administration have already met in conference, and that criticism has been directed to the improvement of the methods lately employed. A large number of recommendations are now before my honorable colleague, the Minister for Home Affairs, who is making them the basis of an amending Electoral Bill, which will be so framed as to remedy the various defects which have been discovered, and remove

the misunderstandings which have arisen. Honorable members must remember that the Electoral Act was applied for the first time by thousands of officers, to tens of thousands of voters unfamiliar with its details, but familiar with other systems, for which they appeared to have a rooted regard.

Mr. SYDNEY SMITH.—Will the papers in connexion with the conference of electoral officers be laid upon the table?

Mr. DEAKIN.—They will be submitted to the House in connexion with the amending Bill. I would point out to the honorable member for South Sydney that the charges to which he has referred relate to something which occurred prior to the establishment of the Commonwealth, and that they affect one State, which is represented in London. The Agent-General of that State has already replied to the charges, which have also been answered by its Ministers. The question is strictly one for the State, and we are not called upon to interpose. In any case, as we have no representative in London, it would be difficult for us to intervene.

Mr. G. B. EDWARDS.—It should be a subject for inquiry.

Question resolved in the affirmative.

The House adjourned at 10.54 p.m.

Senate.

Thursday, 14 April, 1904.

The PRESIDENT took the chair at 2.30 p.m., and read prayers.

IMMIGRATION RESTRICTION ACT.

Senator PEARCE asked the Vice-President of the Executive Council, *upon notice*—

Will the Government consider the advisability, for the purpose of the proper administration of the Immigration Restriction Act, of—

(a) Fixing one port in each State as the only port at which Asiatics may apply for permission to land?

(b) Appointing an officer or officers in each State specially charged with the administration of the said Act?

Senator PLAYFORD.—The answers to the honorable senator's questions are as follow:—

(a) This would require an alteration of the law if it were to be made general.

(b) This question, and indeed the general system of dealing with Asiatics, has been under consideration for some little time. Probably in this relation the practice will be amended in some particulars at an early date.

BLIND SEA-PASSENGERS.

Senator PEARCE asked the Attorney-General, *upon notice*—

1. Is he aware that local steam-ship companies trading round the coast of Australia refuse to carry as passengers persons afflicted with blindness unless a monetary guarantee is provided by such persons?

2. Is this not in direct contradiction of the provision in the Constitution that within two years of the imposition of uniform Customs duties trade and intercourse between the States shall be free?

3. Will the Government inquire into the matter with a view to preventing this practice?

Senator DRAKE.—The answers to the honorable senator's questions are as follow:—

1. I am not aware.

2. This is a question of law.

3. I will ask the Minister for Trade and Customs to inquire.

CAPTAIN P. N. BUCKLEY.

Senator STANFORTH SMITH asked the Vice-President of the Executive Council, *upon notice*—

1. Is the Minister aware of a proposal to appoint a Captain P. N. Buckley to the position of Inspector of Works in the Australian Military Forces?

2. Is the Minister satisfied that no injustice is being done to those already in the Service, especially those in the Corps of Australian Engineers?

3. Is the office of such a nature that no officer already in the Forces can be found to fill it?

4. Has any attempt been made to fill the position from within the Service by giving officers already in the Service an opportunity of proving their fitness for the position?

5. Is it true that the regulations recently approved have been specially worded so as to permit the engagement of the gentleman in question?

6. Will the appointment, if made, deprive any officers already in the Service of their seniority?

7. Is this the beginning of a system to fill all the chief positions in our military forces by Imperial officers?

Senator PLAYFORD.—The answers to the honorable senator's questions are as follow:—

1. Yes, to be Inspector of Works, Engineers, Victoria.

2. Yes.

3. The General Officer Commanding states "Yes."

4. The General Officer Commanding reports that there is no officer at present in the Military Forces of the Commonwealth who possesses the requisite technical and scientific knowledge.

5. No; it is not true.

6. No.

7. Certainly not.

MAILS FOR NEW ZEALAND.

Senator KEATING asked the Vice-President of the Executive Council, *upon notice*—

1. Is the Honorable the Postmaster-General aware that the mail for New Zealand, leaving Hobart on Saturday, 9th inst., at noon, was closed at Launceston on Thursday, 7th inst., at 7 p.m.?
2. Why was it that such mail was made up at Launceston forty-one hours before the departure of the mail steamer from Hobart?
3. Is it to be inferred from this instance that for the future mails for New Zealand must be closed at Launceston before the day prior to the day of the departure of the mail steamer?

Senator PLAYFORD.—The answers to the honorable senator's questions are as follows:—

1. The Postmaster-General is not aware that the mail for New Zealand, leaving Hobart on Saturday, 9th inst., at noon, was closed at Launceston on Thursday, 7th inst., at 7 p.m.
- 2 and 3. Inquiry is being made, and replies will be furnished in due course.

DESIGN FOR POSTAGE STAMPS.

Senator KEATING asked the Vice-President of the Executive Council, *upon notice*—

1. When does the Honorable the Postmaster-General intend to adopt a uniform design for postage stamps to replace the present State issues?
2. Will he before so doing call for competitive designs?

Senator PLAYFORD.—The answers to the honorable senator's questions are as follows:—

1. No determination has yet been arrived at on this subject.
2. Before any definite action is taken he will consider the advisability of inviting competitive designs.

ELECTORAL ACT.

Senator DOBSON asked the Vice-President of the Executive Council, *upon notice*—

If it is the intention of Ministers to introduce a Bill to amend the Commonwealth Electoral Act by compelling each elector, unless reasonable excuse be shown, to exercise at every election his right to vote, and also to remedy and supply such defects and omissions as the practical working of such Act has proved to exist therein?

Senator PLAYFORD.—The answer to the honorable senator's question is as follows:—

It is proposed to introduce an amendment to the Electoral Act. But the details of the measure have not yet been settled.

OLD-AGE PENSIONS.

Senator Lt.-Col. NEILD asked the Vice-President of the Executive Council *upon notice*—

What action has been taken to give effect to the resolution of the Senate, unanimously adopted on the 2nd September, 1903, on the motion of Senator Neild, viz.:—

"1. That, in the opinion of this Senate, it is desirable that a system of old-age pensions be established by and throughout the Commonwealth."

2. That the Government of the Commonwealth be requested to enter into negotiations with the Governments of the States constituting the Commonwealth with a view to giving effect to the foregoing proposal."

Senator PLAYFORD.—The following is the answer to the honorable senator's question:—

The Treasurer, in his Memorandum to the Treasurers of the States, at the Conference held in January last, called their attention to the fact that the transfer, by arrangement, of the payment of old-age pensions from the States to the Commonwealth would soon become a practical and pressing question (page 127).

The Governor-General's Speech at the opening of the present Session stated that—

"4. The readjustment of Federal and State finances contemplated in such an arrangement will, it is hoped, present an opportunity for the adoption of a uniform system of old-age pensions throughout the Commonwealth."

It is hoped that the adjourned Conference, to meet at the close of this month, will mark a further step towards the attainment of this end.

PRINTING OF PAPERS.

The PRESIDENT.—Before the business of the day is called on I think that in fairness to the officers of the Senate I should make a statement in reference to a matter which was brought forward yesterday by Senator Neild. The complaint was that a certain paper was not available.

Senator Lt.-Col. NEILD.—Pardon me, sir, the complaint was not against the officers of the Senate.

The PRESIDENT.—I wish to explain the position, and to show that no one is to blame in this matter. The Military Regulations were laid on the table, but the Senate did not order the paper to be printed. Neither House had ordered the paper to be printed, consequently it was not a parliamentary paper in the full sense of the term. It is true that the document is in the possession of the Senate, but no order was made to have it printed, and under those circumstances it could not be circulated by the officers. When a paper is laid on the table any honorable senator can move that it be printed, or he can at any time give

notice of motion that the document be printed. Neither of these courses was adopted, and, therefore, there was no obligation, in fact no power in the officers to send the document to honorable senators. I understand that it is an exceedingly voluminous one, and the probability is that the Minister by whom it was laid on the table did not feel justified in moving that it be printed, because of the cost.

Senator DRAKE.—It was already in print.

The PRESIDENT.—It is true that it was in print, but it was in print at the expense and by the authority of the Defence Department; and I presume that only a sufficient number of copies for their use had been printed. If Senator Neild desired to have this document printed and circulated, he ought to have asked the Minister to submit a motion or to have moved that it be printed. I do not think that any blame is attachable to any one. I make this statement so that, in future, honorable senators who desire a document on which they intend to take action, to be in the hands of every honorable senator, may know that there is an order of the Senate that a paper must be ordered to be printed, otherwise it will not be circulated. If it is ordered to be printed, it will be circulated, as a matter of course, amongst honorable senators.

Senator PLAYFORD (South Australia—Vice-President of the Executive Council).—I think that when any regulations which honorable senators have the right to question, are laid on the table, it should be taken as a matter of course, that the paper is to be printed and circulated.

The PRESIDENT.—I do not think this ought to be done, unless it is ordered by the Senate.

Senator PLAYFORD.—Honorable senators have the right to object to any provision in these regulations, and I think that, as a matter of course, they ought to be circulated. Considering that all regulations under Acts of Parliament have to be printed and circulated in the *Gazette*, it should be an understood rule, without any motion being made, that, whenever regulations under an Act of Parliament are laid on the table, they should be circulated in print among honorable senators. If that be an understood rule in the future, we need not have any trouble on the subject.

Senator DAWSON.—But we do not get the *Gazette*.

Senator PLAYFORD.—The regulations are in type, and all that it is necessary to do

is to strike off a few extra copies for the use of honorable senators. I think that in future, sir, you can take it upon yourself to order that copies of any regulations laid on the table by Ministers, which are invariably in print, should be circulated.

Senator Lt.-Col. NEILD (New South Wales).—I ask leave of the Senate to move, without notice—

That the regulations in question be printed.

The PRESIDENT.—I do not think that the honorable senator can take that course. The Standing Orders provide that whenever a paper is laid on the table any honorable senator can move that it be printed, and that if he does not move the motion on that occasion he must give notice. In reference to the remarks of the Vice-President of the Executive Council, my position ought to be made clear. I do not think that I have the authority or the right to order that a document, which might involve very large expense, be printed and circulated. The leader of the Government should take that responsibility, as he generally does, when he lays the document on the table. I do not think that it ought to be devolved upon me.

Senator Lt.-Col. NEILD.—May I be permitted to point out, sir, that when the Vice-President of the Executive Council did lay this paper upon the table, some honorable senators asked that there should be a motion made for its being printed.

Senator DAWSON.—I asked on one occasion, and the President said it was not necessary to make a motion.

Senator Lt.-Col. NEILD. — Senator Playford, I think, said that it would be dealt with by the Printing Committee.

The PRESIDENT. — The Printing Committee can only make a recommendation.

Senator Lt.-Col. NEILD. — In view of certain business which will come before the Senate in an hour's time, I would ask that the regulations in question be circulated amongst honorable senators.

The PRESIDENT.—I am informed by the Clerk that he has communicated with the Government Printer, and that if he can get copies of the regulations they will be circulated; but honorable senators will see that if they wish any papers to be printed they ought to take action at the time.

Senator PLAYFORD.—The object which we have in view is to provide honorable senators with copies of these regulations, and as the President seems to think that it would be better for the Minister

who lays any regulations on the table to move that they be printed, with the understanding that it shall not involve the re-setting of the type, I shall take care in future that that course is adopted.

Senator MULCAHY (Tasmania).—May I be permitted, sir, to suggest that if an important set of regulations, or any important document, is laid upon the table in compliance with an Act of Parliament, and it has not been ordered to be printed, it ought to be available to any honorable senators during the period within which objection may be taken to it.

The PRESIDENT.—So it is.

Senator MULCAHY.—In this case it appears that the document was sent to the printer, and was not accessible to the honorable senator who wished to take exception to some of the regulations.

Senator DRAKE.—Oh, no.

Senator MULCAHY.—If in the future a document is to be available to an honorable senator I do not think that we need ask the leader of the Government to incur the unnecessary and unwarranted expense of having it printed.

PAPER.

Senator PLAYFORD laid upon the table the following paper:—

Transfer of amounts approved by the Governor-General in Council, under the Audit Act.

Ordered to be printed.

LEAVE OF ABSENCE.

Motion (by Senator STANFORTH SMITH) agreed to—

That one month's leave of absence be granted to Senator Matheson on account of urgent private business.

PARADE STATES.

Motion (by Senator Lt.-Col. NEILD) agreed to—

That there be laid upon the table of the Senate copies of the parade states of the following reviews of the New South Wales Military Forces of the Commonwealth, viz.:—

1. Royal Review, 28th May, 1901.
2. Coronation Review, 9th August, 1902.
3. Japanese Squadron Review, 6th June, 1903.
4. King's Birthday Review, 9th November, 1903.

RENT FOR COMMONWEALTH PREMISES.

Motion (by Senator KEATING) agreed to—

That there be laid upon the table of the Senate a return showing in detail the several amounts annually payable by the Commonwealth Government (as "new expenditure") by way of rent in

respect of premises occupied by the various Departments of the Commonwealth Government in and about Melbourne.

STANDING ORDERS COMMITTEE.

Senator PLAYFORD (South Australia)—Vice-President of the Executive Council.—I move—

That Senator Best be appointed a member of the Standing Orders Committee.

If honorable senators look at the Standing Orders they will see that it is provided that the Chairman of Committees shall be one of the members of the Standing Orders Committee. Senator Higgs has been elected Chairman of Committees, and we require to appoint another member of the Standing Orders Committee. It is for that reason that I propose the election of Senator Best.

Question resolved in the affirmative.

FRAUDULENT MARKS ON MERCHANDISE BILL.

Motion (by Senator PLAYFORD) agreed to—

That leave be given to bring in a Bill for an Act relating to fraudulent marks on merchandise.

Bill presented, and read a first time

GRANT OF SUPPLY.

Senator Lt.-Col. NEILD (New South Wales).—I move—

That an Address be presented to His Excellency the Governor-General, praying His Excellency that, on all occasions when opening or proroguing Parliament, due recognition shall be made of the constitutional fact that the providing of revenue and the grant of supply is the joint act of the Senate and the House of Representatives, and not of the House of Representatives alone.

In submitting this motion, I desire to say that as the Senate now consists to some considerable extent of those who were not members of it in the last session of Parliament, I think it proper that in as brief a form as possible I should recount the proceedings that have led to my taking this action, in order that the matter may be placed upon our records. I ask honorable senators who were members of the Senate in the last Parliament to recollect that on the 13th June, 1901, the Senate received from the House of Representatives the first Bill sent to this Chamber from the co-ordinate branch of the Legislature. It was a Bill professing to grant the sum of £491,882 to His Majesty. The preamble of that Bill read as follows:—

Most Gracious Sovereign,—We, your Majesty's most dutiful and loyal subjects, the House of

Representatives, in Parliament assembled, towards making good the supply which we have cheerfully granted to your Majesty in this session of Parliament, have resolved to grant to your Majesty the sum hereinafter mentioned. Therefore, be it enacted by the King's Most Excellent Majesty, and the Senate and the House of Representatives of the Commonwealth of Australia, as follows.

That was the first Bill that was ever dealt with by the Commonwealth Parliament; and I beg to remind honorable senators that, after it was read a first time, exception was taken to it on account of its preamble, and for other reasons. The second reading was postponed until the next day. When the Senate met on the following day—that is, on the 14th June—I gave notice of motion as follows:—

That it be an instruction to the Committee on the Bill to request the amendment of the preamble by the omission of all the words except the following: "Be it enacted by the King's Most Excellent Majesty, and the Senate and the House of Representatives of the Commonwealth of Australia, as follows."

The effect of that motion was to remove all the words which set out that the other Chamber had granted supplies, and that we, the Senate, had nothing to do but concur. I think that, at that time, reference was made by the then Vice-President of the Executive Council (Senator O'Connor), to an American story of the "Colonel and the Coon." He related how the coon said—"Don't shoot, colonel, I'll come down," and there was a kind of suggestion that, if I did not shoot, the Government would come down. The Bill disappeared. It not only disappeared from this Chamber, but elsewhere also. A new Bill was brought into another place, and eventually was sent up to the Senate, containing this preamble—

For the purpose of appropriating the grant made by the House of Representatives.

When that Bill reached the Senate, I, on the 19th June, with the support of almost every member of this Chamber—if not with the unanimous support of the Senate—moved at once for an instruction to the Committee that this form of preamble should disappear also. And it did disappear. My motion was carried. The instruction was given to the Committee; the Committee agreed to request the change; and if the change was not made in exactly the words that this Chamber requested, it was made substantially. On the 21st June the new Bill was sent by the House of Representatives to the Senate, with the preamble and enacting clause altered as follows:—

Be it enacted by the King's Most Excellent Majesty, and the Senate and the House of Representatives of the Commonwealth of Australia, for the purpose of appropriating the grant originated by the House of Representatives, as follow^{ing}

We felt, I think, satisfied that the obligation of the Constitution had been sufficiently acknowledged in that phraseology, and we did not take the matter any further. I draw the attention of honorable senators to the fact—if it be necessary that I should remind them of it—that, except in regard to the origination of money Bills of a certain class, this Chamber has equal rights of jurisdiction and legislation with another place. It is a mere matter of convenience that the Constitution provides that money Bills shall originate in another place. But the right of origination does not give any excess of legislative authority to another place over the authority enjoyed by this Chamber; and when the House of Representatives, having altered its Bill three times, sent it up again to the Senate in the form which I have described, the then Postmaster-General—now the Attorney-General—submitted a motion which was seconded by myself, accepting the third proposition as a "happy issue out of all our afflictions." The Bill was passed in that form, and from that day to this every money Bill for granting supplies to the Crown has come to this Chamber in that particular form, recognising the equal rights of this House to join in the grant of supply. It will be remembered that in the closing speech of the first session of the last Parliament, the Governor-General specially thanked the House of Representatives in the following terms for the grant of supply—

Gentlemen of the House of Representatives,—I thank you in the name of His Majesty for the liberal supplies that you have voted.

Senator PLAYFORD.—It is the old form.

Senator MILLEN.—But we have a new Constitution.

Senator Lt.-Col. NEILD.—The interjection of my honorable friend, Senator Mil- len, hits the point. It was the old form applied to a new Constitution. I remind honorable senators of the fact that there is somewhere in a book which is much esteemed by the majority of civilised people a very appropriate reference to putting new wine into old bottles. The Ministry have been trying to put a new Constitution into old formulas. I suggest that a new Constitution requires new forms, and not old-fashioned ones that do not fit the circumstances of the case. At the commencement

of last session—that is, the second session of the last Parliament—when the Senate met, I moved for an address in the following terms:—

That an address be presented to His Excellency the Governor-General, praying His Excellency that on all occasions when proroguing Parliament, in acknowledging the grant of supply, due recognition shall be made of the constitutional fact that the said grant is the joint act of the Senate and the House of Representatives, and not the House of Representatives alone.

There was a debate upon that motion, and the Attorney-General promised—like a little boy who was going to get a spanking for misbehaviour—that if I let the Government off this time they would “never do it again.” I took that assurance with absolute trust, and I quite believe that, so far as his memory served, the Attorney-General was perfectly faithful to that promise, and did not intend that it should occur again. But unfortunately it did occur again.

Senator DRAKE.—Oh, no!

Senator STYLES.—Did the honorable senator spank the Attorney-General?

Senator Lt.-Col. NEILD.—I am doing it now.

Senator DRAKE.—Whatever was asked for was done.

Senator Lt.-Col. NEILD.—At the opening of the present session of Parliament the Vice-Regal Speech contained these words—and it is to these words that I take exception—

Gentlemen of the House of Representatives,—
A special indication that the matter about to be alluded to had nothing to do with this Chamber.

13. The revenue derived from Customs and Excise has been equal to anticipations. As the incidence of duties under the Tariff contemplates the substitution of Australian for imported goods, no considerable expansion of such receipts under normal conditions is to be expected.

Evidently it is only to be anticipated under drought conditions.

14. The Estimates of Expenditure will be framed with economy, having regard to the magnitude and importance of the interests under your control.

Those two paragraphs addressed to the House of Representatives indicated in the plainest manner that English words can that the grant of supply and the receipt of revenue was the sole business of the other Chamber, with which we the Senate had no part. Yet that address was absolutely delivered within these walls. My honorable friend the Vice-President

of the Executive Council, in one of the many speeches which he delivered on the motion for the adoption of the Address in Reply—because I find that the honorable senator made more than one speech—when he had exhausted himself in his main speech he seemed to think of something else, and delivered himself of further opinions on the motion for the adjournment, and on Ministerial explanations. In one of his many death-bed repentance utterances, if I may so describe them, delivered on the 10th March, he quoted a portion of the Vice-Regal Speech. If I may say so without offence, the matter was misrepresented by him, inasmuch as he said that my objection was all based on the use of the word “your” to the other Chamber. But that was not the real ground of my objection. It was not the mere use of the word “your” that led me to take action. It was the fact that these references to supply and to revenue were addressed to the House of Representatives only, and not to this branch of the Legislature also. The honorable senator omitted to mention the fact that every word in the Vice-Regal Speech in which there was a reference to revenue and expenditure, was addressed to the other Chamber alone, and that no part or lot of any reference to the grant of supply or the raising of revenue made the slightest allusion to this Chamber. It is for that reason that I move this motion. The Vice-President of the Executive Council, in his kindly semi-jocular manner, said that he was really very sorry, and that if he had only remembered the matter at the Cabinet meeting what I complained of would not have happened. He said that the matter was overlooked, and so on and so on. But the failure to do something is not always a satisfactory excuse where important issues of this kind are involved. If it were a mere personal matter between the honorable senator and myself, or affecting any other member of the Senate, there would be nothing in it. But, as has been very properly said by way of interjection by Senator Millen, we have a new Constitution, and I am quite sure that you, Mr. President, will indorse the sentiment that in the early action that is taken under a new Constitution the greatest attention and care must necessarily be given to the forming of precedents. I therefore appeal to honorable senators to agree with me that we should, in appropriate phraseology, indicate to the Governor-General who

is the representative of His Majesty, and as such, is practically a part of our Parliament, that we take exception to the phraseology of his speech. Honorable senators will recollect that Parliament consists of the Monarch and the two Chambers of the Legislature and the Governor-General, as the representative of the Monarch, is practically a part of our Parliament. It is therefore appropriate that he should become acquainted with the wishes of this Chamber in reference to so important a matter, and that he should not run the risk of being led astray through the forgetfulness of Ministers. I submit that my motion is appropriately, and temperately worded. It merely refers to the position which this Chamber occupies under our Constitution. I may further say that I have no intention to withdraw the motion on this occasion. I say that, not because I think there was a breach of faith after I took action previously; but merely a matter of forgetfulness.

Senator DRAKE.—There was nothing like a breach of faith.

Senator Lt.-Col. NEILD.—I shall be pleased to hear what the honorable and learned senator has to say on the subject, when he replies to me. I am quite sure that the majority of the Senate will vote for the motion. I have no intention of withdrawing it as I did before, because I think the time has arrived when our opinion should be put on record, and not be a mere question of some Minister's lapse of memory. Therefore I beg with some diffidence, but with the hope that the motion will be unanimously agreed to, to submit it to the Senate.

Senator MILLEN (New South Wales).—I beg to second the motion.

Senator PLAYFORD (South Australia—Vice-President of the Executive Council).—The honorable senator who has submitted this motion to the Senate, has assumed the position of an exceedingly watchful—I will not say dog in this matter; he has evidently been extremely watchful concerning the privileges of the Senate, on this, and other occasions. I entirely agree with all that he has said with regard to the constitutional position. The matter naturally divides itself into three particulars. First there is the question of the form of the preamble of money Bills; secondly there is the form of the Governor-General's Speech in proroguing Parliament; and, thirdly, there is the form of the Governor-General's Speech in opening Parliament.

Senator Neild had to admit that the mistake made in the first instance had been rectified on every succeeding occasion; so that that matter may be regarded as settled. The honorable senator cannot say that the Government have in any way departed from the promise they made, because in every money Bill introduced since, the preamble has been altered in such a way as to meet with his perfect approval. There remains the point on which Senator Neild rather unfairly taxes my colleague with having broken faith.

Senator Lt.-Col. NEILD.—No.

Senator PLAYFORD.—“Breach of faith” were the words used by the honorable senator.

The PRESIDENT.—Senator Neild said that it was not a breach of faith, but a lapse of memory.

Senator Lt.-Col. NEILD.—That is so.

Senator PLAYFORD.—The words I mentioned must have been used, because my colleague ejaculated that there had been no breach of faith.

Senator Lt.-Col. NEILD.—I said nothing of the kind. Senator Playford has already been corrected by yourself, sir, and he ought not to repeat his statement.

Senator PLAYFORD.—Whether Senator Neild did, or did not, intend to make such a charge, I know that my honorable colleague understood him to do so; at all events, my colleague was not likely to deny that there had been a breach of faith unless something in the nature of such a charge had been said. However, it is probable that the charge was made unintentionally, and may be regarded in the same light as the little lapses of memory which we all now and then have to acknowledge. In regard to the prorogation of Parliament, my colleague understood that the words objected to would not again appear in His Excellency's speech, and that promise has been carried out clearly and unmistakably. I now come to the last phase of the question. In paragraphs 13 and 14 of the opening speech of His Excellency, no reference was made to the Senate, the whole credit for the grant of supply being given to the other branch of the Legislature. On a former occasion I pointed out how that had occurred through absolute inadvertence, and in this connexion I cannot do better than read the remarks which I made when I distinctly promised that a similar reference should not again appear. As leader of the Senate, whose duty it is to guard the privileges of this Chamber, I am willing to

acknowledge the mistake, and take a certain amount of blame for the appearance of those words. On the 10th March last, in submitting a motion relating to the order of business, I made reference to this matter in the following words:—

In making this motion I may perhaps be permitted to make a few remarks upon a question to which I omitted to refer when speaking on the Address in Reply.

I may say that when I spoke on the Address in Reply I had on my notes a reference to the subject, but, as sometimes happens to us all, I overlooked it. I went on to say—

The matter is to some extent a personal one, and also affects the Senate. I refer to the criticism passed upon paragraph 14 of the Governor-General's speech. The paragraph reads—

"The Estimates of Expenditure will be framed with economy, having due regard to the magnitude and importance of the interests under your control."

As that is addressed by His Excellency to the House of Representatives, the word "your" makes it appear as if the subject dealt with in the paragraph was under the sole control of the House of Representatives. That criticism has been offered, and I wish to say that, so far from that being in the minds of Ministers, we recognise that there is a dual control of Commonwealth finances. We know that if the Senate has not in every particular the same control over the finances as has the House of Representatives, it has a very considerable control, and a very much larger power than the Upper Houses of the States Parliaments.

We old politicians are in the habit of using the old forms without taking into consideration the altered position of the Senate on the one hand, and the House of Representatives on the other, and this is an instance in which an old form was by some means adopted—

I regret that the use of the word "your" in the paragraph quoted should have given rise to some little misapprehension as to what members of the Ministry really think. I take a certain amount of blame to myself as leader of the Senate that I did not read the paragraph in this light when it was under consideration by the Cabinet. I can assure honorable senators that there is no intention on the part of the Government to claim for the House of Representatives any more power over matters of finance than that House is entitled to under the Constitution.

Senator FRASER.—Then there was gross neglect in the preparation of the speech?

Senator PLAYFORD.—Has the honorable senator never made a mistake?

Senator FRASER.—Many.

Senator PLAYFORD.—Then the honorable senator ought to have some consideration for the weaknesses of human nature in others. I am willing to bear

the blame for what has occurred, seeing that as leader of the Senate I am responsible.

Senator Sir JOSIAH SYMON.—The omission is not worth such a vehement apology.

Senator PLAYFORD.—Perhaps not; but I can assure the Senate that the same thing will not occur again. Having given that assurance, I ask the Senate not to adopt the motion to present an address to His Excellency.

Senator DRAKE (Queensland—Attorney-General).—It is perhaps only right that I should take a portion of the blame, and I think that perhaps Senator Neild may be induced to bear a little of it himself. The complaint of the honorable senator is really as to a matter of form, and not as to a matter of substance, dealing as it does with the form of the preamble of the Bill. After the honorable senator made his complaint, Money Bills appeared before us with preambles which quite met with his approval, and he subsequently called the attention of the Senate to the form of the prorogation speech. On that occasion, speaking, of course, with reference to the prorogation speech, I assured him that the next time the speech would be in a different form; and that promise was carried out. Unfortunately, however, when the Governor's speech was delivered at the opening of Parliament, special reference was made to the members of the House of Representatives in the form used in the past; and that we acknowledge was an oversight, which we undertake shall not occur again. If Senator Neild when submitting his motion in reference to the prorogation speech had drawn attention to the fact that this particular form was also used in the opening speech, then I should have given a similar undertaking in reference to the latter; and for his omission he ought to bear some portion of the blame. The honorable senator drew my attention only to the prorogation speech, and he was then satisfied with the assurance I gave him. The honorable senator now draws attention to the fact that there is the same difficulty, from his own point of view—

Senator Lt.-Col. NEILD.—The Senate's point of view.

Senator DRAKE.—After all, it is only a matter of form. The honorable senator now has the assurance of my colleague and myself that no special reference shall be made to the House of Representatives, unless, of course, from the substance of the speech such special reference is necessary,

and I think that under the circumstances he might very well withdraw his motion.

Senator STYLES.—But what if there be a change of Government?

Senator Lt.-Col. NEILD (New South Wales).—I have very little to say. Both Ministers cry *peccavi*, and then try to place some element of responsibility on me. For a Minister to suggest that a private member is to be made the sole guardian of the position of this Senate under the Constitution, seems to argue such a lamentable absence of any reasonable defence, that I offer my condolence to the Ministers on getting into a place so tight as to necessitate such a proposition. As to Senator Playford, his good-natured face removes all asperity; like a patent pill, it removes all difficulties. He has only to give us one good-natured glance to prevent our saying anything unpleasant; and we are happy to have in such a responsible position, one who keeps us, if not in good order, at any rate, in good humour. I repudiate in the most emphatic manner the charge that I suggested the smallest breach of faith to any one. What I said was that there had been a lapse of memory or want of attention. If I wanted any reason for carrying out my intention not to withdraw the motion, it is to be found in the pertinent interjection of Senator Styles a few moments ago, "Suppose there were a change of Government?" Such changes do occur in the whirligig of politics, and what would become of us if we were bereft of the forgetful representation of the two present Ministers? In the preparation of the next Vice-regal Address those gentlemen might be absent, and there would be no watch-dog to see that due recognition was given to the position which this Chamber occupies, not at our whim or personal fancy, but under the Constitution. I cannot see that the motion contains the smallest personal or party taint.

Senator MULCAHY.—Could the motion not be amended so as to be a simple affirmation?

Senator Lt.-Col. NEILD.—The motion has been moved, seconded, discussed, and replied to, and I must respectfully insist on taking the decision of my comrades as to whether it is a proper proposition to be affirmed by this Chamber.

Question put. The Senate divided.

Ayes... .. 17

Noes... .. 5

Majority 12

AYES.

de Largie, H.
Findley, E.
Fraser, S.
Givens, T.
Gray, J. P.
Guthrie, R. S.
Henderson, G.
Higgs, W. G.
Macfarlane, J.

Millen, E. D.
Pearce, G. F.
Smith, M. S. C.
Styles, J.
Walker, J. T.
Zeal, Sir W. A.

Teller.
Neild, J. C.

NOES.

Dobson, H.
Drake, J. G.
Playford, T.

Trenwith, W. A.
Teller.
Turley, H.

Question so resolved in the affirmative.

FEDERAL IRON WORKS.

Senator DE LARGIE (Western Australia).—I move—

That this Senate affirms the principle of iron works being established and owned by the Federal Government, for the purpose of manufacturing pig-iron, and steel from native ore, believing this would be in the best interests of Australian industry, State rights, and Commonwealth prosperity.

I am very pleased to have an opportunity so early in the session of submitting this motion. We cannot give too much attention to this very important motion. So far, the Senate has not had an opportunity to discuss the question, although it has been twice brought before the other House. I quite expect that the Government will take up the attitude that my motion transgresses our constitutional rights. I do not intend to speak at any great length on the constitutional aspect of the question, as I prefer to leave its discussion to the legal members of the Senate; but I cannot resist the temptation to quote the opinion which the Prime Minister furnished to the Chairman of the Bonus Commission when he was Attorney-General. Whilst it is not decidedly in favour of my motion, I do not think it can be said to be decidedly against it. It reads as follows:—

You ask for my opinion, for the information of the Bonus Commission, as to the powers, if any, of the Commonwealth to establish iron works.

In my opinion, no such power is included in the express gift of legislative power to the Federal Parliament.

The trade and commerce power, vast though it is, does not appear to extend to production and manufacture—which are not commerce.

Commerce only begins where production and manufacture end. (See *Kidd v. Pearson*, 128, U.S., 1, 20.) Moreover, the fact that the trade and commerce power is limited to external and Inter-State trade and commerce indicates that the

power which the States undoubtedly possess to undertake Government industries within their own limits is not shared by the Commonwealth under this sub-section.

Under sub-sections 1, 2, and 3, taken together (trade and commerce, taxation and bounties) the authority of the Commonwealth over industrial development is of the largest; but though it allows of control, regulation, and guidance, it in no respects points to direct establishment or management of any industries. Nor can I find in any other part of the Constitution any express authority for the course suggested.

The implied powers of legislation remain to be determined, but include (under sub-section 39, of section 51) matters "incidental" to the exercise of the express powers.

The manufacture of iron may be incidental to the execution of many such powers, *e.g.*, defence, or the construction of railways. The Commonwealth might clearly undertake the manufacture of any goods for its own use; and probably if it did so, and it were incidentally advantageous to the interests of the economical working of the undertaking, that it should also manufacture for other consumers, such manufacture would also come within its implied powers. Except as above, it does not appear that any power to establish and conduct manufactures can be implied from the Constitution.

Senator PLAYFORD.—It can only be done by the strongest implication, and Mr. Kings-ton holds the same view.

Senator DE LARGIE.—I shall merely argue from that rather limited view of the case. If we have the power to run railways there cannot be any reasonable objection to our making the locomotive engines, which are now being made by the Railway Departments in nearly all the States. If we have the power to make locomotive engines, surely we have the power to make the material out of which they are constructed. If we have the power to own railways, we must necessarily have the power to manufacture the material out of which the rails are made. Therefore, taking even the narrow aspect of the question, which has been suggested by Senator Playford, I think that the Constitution bears out the contention that we have the right to establish iron works, if for no other reason than to produce the iron material which we shall consume on our railways.

Senator PLAYFORD.—But we have not got any railways to consume them.

Senator DE LARGIE.—I hope that we shall have some railways in the future. The Prime Minister goes further, and says that if we can manufacture economically for the Government there cannot be any reasonable opposition to our also manufacturing for the members of the community.

Senator PLAYFORD.—It is all hypothetical.

Senator DE LARGIE.—It may be; but I think that it supports the constitutional point out of which the Government have been trying to make so much capital. It is a very poor ground indeed for opposing my motion. To a limited extent we have the railways under our control; but to the fullest extent we have the defence of the country under our jurisdiction. If we have the right to look after the defence of Australia, surely we must also have the right to manufacture guns of various calibre, and those guns can only be made from material such as will be produced in the works whose establishment I advocate. We have a Department which requires iron, and therefore we are quite within the powers of the Constitution in saying that iron works should be established by the Government. In calling the iron industry into existence we are expanding the industrial scope of the Commonwealth. So far as I am able to judge, after giving the matter considerable attention, there is no hope of this great industry ever being called into existence unless some assistance is given by the Government.

Senator MULCAHY.—If we imposed a good protective duty it would come into existence soon enough.

Senator DE LARGIE.—I have no doubt that it would. Unfortunately, in the past, it has not received the encouragement or assistance of protection. We are now in a position, however, to nationalize the industry, and by so doing, to give to the whole of the community the benefits of the industry instead of calling into existence a few Carnegies at the expense of the rate-payers. All I ask is, that the industry shall be established with the money of the Government, and, apparently, it cannot otherwise be established. No State in the union is so peculiarly adapted for this enterprise as in New South Wales. It possesses both coal and iron ore in abundance. No doubt all the States have an abundant supply of iron ore, but New South Wales is the only State which has an abundant supply of coal suitable for the smelting of iron. Because of the free-trade policy which has prevailed in that State, this industry has never yet been established in Australia. I think I am quite justified in saying that, under a free-trade régime, it never could be established. It can only be established in Australia as it has been established in every other country—under protection. I, though a protectionist, will consider a few times before I shall vote any

assistance to an individual or private company to establish an industry which should be in the hands of the Government, for the reason that, once it was established, it would be a monopoly. We have to consider the effect which a monopoly of that kind would have on our industrial life. The railway systems are owned by the States, and no sane man, I think, would, for a moment say that it would be right or proper to create a monopoly in the manufacture of articles which are needed by the States railways; in other words, to give any company the right to bleed the States railways, or to charge what they like for rails or other materials, especially when only the States railways could give trade enough to keep their iron works going. I may be met with the argument that if it were a profitable industry other works would be established. I can assure honorable senators that there is not room in Australia for more than one up-to-date iron works. Our consumption of iron would not justify the erection of more than one modern iron works, and with only one blast furnace, too. It would not be a very big iron works which had only one blast furnace. It will be seen at a glance that a private iron works would have a monopoly of the trade of Australia. It may be urged that we could break up the monopoly by throwing open the markets of Australia.

Senator WALKER.—By introducing the minimum wage.

Senator DE LARGIE.—Not even the introduction of the minimum wage would satisfy me, protectionist though I am. There is another system of government which is much dearer to me than protection. Viewing the question from every stand-point I hold that we have everything to gain by establishing the industry under the régime of State enterprise rather than under the régime of private enterprise. So far, private enterprise has miserably failed to establish the industry in Australia.

Senator WALKER.—How about the Fitzroy dock at the present time?

Senator DE LARGIE.—I noticed in the press the other day that the Fitzroy dock was declared by a Royal Commission to be unsuitable for the manufacture of locomotive engines required for the Railway Commissioners of New South Wales, and they recommended that the engines be built at the Government workshops, and calculated they would be cheaper and better built there than by private enterprise. My

motion, however, is not directed towards the production of locomotive engines, but towards the production of raw material, such as pig iron, to be converted afterwards into steel rails and so forth. The manufacture of locomotives, I contend, has been more successfully carried out by the States than by private enterprise. In the report of the Bonus Commission, I find a confirmation of that statement. Mr. Woodroffe, chief mechanical engineer of the Victorian railways, said that locomotive engines were built for 25 per cent. less in the Government workshops than in private workshops, proving that at least in this industry State enterprise is much more economical than private enterprise. For the benefit of Senator Walker I shall quote a portion of the evidence which was given by Mr. Woodroffe:—

I may explain at the outset that when tenders are called for it is usual for the Department to supply certain material to contractors, such as wheels and axles, boiler plates, copper plates, and tubes. Further, as we have certain machines in our workshops, some of this material is partly worked up. For instance, the boiler fronts and throat plates. We have a large hydraulic press in which we press these into shape, and give them to the contractor in that form. Otherwise he would have to do the work by hand, and would not be able to turn out nearly so good a job. Then if we have patterns; we also supply them under the contract. Bearing in mind the material supplied to the contractor and the labour expended upon it, and also the cost of the carriage of the material, and the cost of inspection—the lowest cost under private tender was that of the Phoenix Foundry Company, at about £5,000 per engine. The tender I sent in, including the same material, and all charges which I thought it fair to add, amounted to about £3,800 per engine. Afterwards it was considered only fair, as a matter of comparison between the outside tender and our own, to add something for the use of the buildings and plant. Adding a percentage on a rough proportion of the cost of the buildings and plant, my estimate was increased to £3,945 per engine. Of course, that percentage was added purely for the sake of comparison, because it will be fully understood that the buildings and the machines, the sidings, and the lines, and everything else would be there whether the engines were constructed or not.

I think that bears out the contention that, as far as State enterprise is concerned, at all events in connexion with the iron industry, we have every right to anticipate the same success in making the raw material as has been obtained in manufacturing locomotives. The skill required for producing the raw material is not nearly so great as the skill required in the construction of a locomotive. I can speak with some authority on this point as one who has been employed in that

sort of work in the old country, and as one who was reared in the district known as the "iron village" of Scotland. I know that there is very little skill required in iron production in proportion to the amount of profit secured. Therefore, we have every right to look to the making of a great amount of profit by the State in undertaking the manufacture of pig iron in Australia. Having made that statement, I will proceed to give some proof of my assertions.

Senator FINDLEY.—The fortunes made by the iron kings of the world demonstrate that what the honorable senator has said is true.

Senator DE LARGIE.—Certainly the fortunes of the Pierpont Morgans, the Carnegies, and the other great iron masters demonstrate that the production of iron is exceedingly profitable. The richest men in Scotland are those who have made their enormous wealth out of the iron industry.

Senator PLAYFORD.—The industry was established under protection, though.

Senator DE LARGIE.—That is quite true. The iron industry has been established in every country in the world under protection. There is no country where the iron industry has been established under the régime of free-trade. But whether under free-trade or protection enormous fortunes have accrued to those who have had the control of this great industry. That would be the case in Australia to an even greater extent than elsewhere. Here the iron industry would be a greater monopoly than is known in any other part of the world. Owing to our limited market there would be only one ironworks, which would undoubtedly secure the whole of the Australian market. Those at the head of it could charge what they liked, and very great profits would be made.

Senator MULCAHY.—How would the honorable senator secure the profit to the Commonwealth? By compelling the States to buy their iron from the Commonwealth ironworks?

Senator DE LARGIE.—I am quite willing to allow the private enterpriser to get his iron wherever he likes. If he can get it cheaper elsewhere than from the Government ironworks let him do so. But I venture to say that it would be impossible to get iron from any other source cheaper than it could be bought from the Government.

Senator MULCAHY.—The Bonus Commission's report does not prove that.

Senator DE LARGIE.—I venture to say that it proves it abundantly. Mr. Sandford, who knows more about iron products than any one in Australia—because he has been engaged in the industry all his life as employer and employé—said before the Bonus Commission that iron could be produced in Australia for 35s. per ton. I go further, and say that it can be produced much cheaper. When we find a manufacturer admitting that it can be produced for 35s. per ton we have a right to expect that it can be made for much less than that.

Senator FINDLEY.—Apparently it costs 52s. per ton to produce iron in Great Britain.

Senator DE LARGIE.—The cost of iron production in the United Kingdom is much less than that, I can assure my honorable friend. But with reference to cost of production I shall read some extracts from a recent work published by the secretary of the Iron and Steel Association of England, a gentleman named Jeans. The book is in the Parliamentary Library. Mr. Jeans and others were sent by his association to the United States to inquire into the condition of the iron industry in regard to the cost and methods of production, and so on. I will give the Senate the benefit of his conclusions. On page 119 of his work, speaking of the cost of production, Mr. Jeans says—

The average cost of producing pig iron in the Southern States of America to-day is 33s. 4d. per ton, although it was claimed that one, or perhaps two, of the smaller firms, who are specially well placed, may produce it for a dollar less. In Alabama, it is claimed that pig iron is made at the very low cost of six and a half dollars. The following for one month, covering a production of 12,000 tons, from two furnaces, fairly represents the work over a period.

	s.	d.
Cost per ton—Coke at cost ...	9	8
Cost per ton—Ores at cost ...	9	0
Cost per ton—Limestone ...	0	8
Cost per ton—Labour ...	3	4
Incidentals ...	4	0

26 8

It will be seen that 26s. 8d. per ton is a very great reduction on Mr. Sandford's estimate.

Senator O'KEEFE.—That is only the cost of extraction, I think.

Senator DE LARGIE.—No, it is the actual cost of production. On page 123 Mr. Jeans speaks of the production of iron in England under the most modern system. He says—

I may add that I have had brought under my notice within the last few months an important

proposal to establish in the Midlands, works on modern lines, where it appears probable to produce pig iron at 30s. per ton, and steel billets at 67s. per ton.

In the North of England I have reason to believe that an equally low cost may be reached from Americanization of some of the leading plants.

Further, on page 332 of the same work, I find that Mr. Jeans refers to the Dominion Iron Company's Works at Sydney, Canada. These works were established owing to the very great bounty of 11s. per ton for the production of iron. That amount is a little less than is proposed in the Bill introduced by the Government in another place. There the amount specified is 12s. per ton. The Dominion Iron Works Company estimates that the cost of producing pig iron is 25s. per ton, which is only a little more than one-half of the amount of the bounty received from the Government. Mr. Jeans says that the promoters estimate the cost of producing pig iron at 23s. a ton.

The cost of steel blooms is estimated at 47s. per ton, which is materially under any estimate I met with in the United States, and which I should venture to regard as below the figures likely to be averaged over a term of years.

If we remember that this company has received an enormous sum of money in the shape of bounties from the Canadian Government, it will be a guide for us as to the profits that are likely to be made by gentlemen who are anxious to secure bounties from the Commonwealth Government. No doubt we have in Australia excellent facilities for the production of iron. In Canada the iron ore has to be brought from Belleisle, in Newfoundland, to Nova Scotia, a considerable distance by ship, and then it has to be taken a considerable distance by train. I dare say that in Australia it would also be necessary to take the ore a considerable distance by water and by rail. But I do not think that we should have to carry our ore so great a distance as is necessary in Canada; and if iron can be produced at 23s. per ton there, I have no reason to doubt that it can be produced at quite as low a rate in Australia. There has been considerable argument as to the number of hands who would be employed in this industry if it were established. I would draw attention to the fact that while a considerable number of hands are employed in iron works in the old country, where the plant is for the most part antiquated, and the work is done in a very old style, yet in the

up-to-date iron works of America and Canada the number of hands employed is very low indeed. If our works were established on modern lines the number of hands required to supply sufficient pig iron for the Australian market would not be so very great after all. Those who expect to give employment to thousands and thousands of hands, as the Minister for Home Affairs said would be the case, in another place, have not taken a proper grip of the facts. Our iron works must be established on up-to-date lines. It would be foolish to establish them on any other lines. We should require, for instance, to have thoroughly up-to-date furnaces, steel converters, and rolling mills. Otherwise the establishment of such an industry in this enlightened age would be almost a crime. In Mr. Jeans's book honorable senators will find particulars of the number of hands employed in one of the great iron works of Pittsburg, the Duquesne blast furnaces. The number of hands employed there is 477, made up as follows:—

Clerical and Mechanical—Clerks, fitters, blowers, moulders	45
Foremen, cranemen, coke weighers, labourers, sweepers, wheelers	100
Engineers, greasers, boiler housemen, water tenders, ore men, &c.	78
Telegraph operators, draughtsmen, master mechanics, police	10
Machinists, helpers, mill wrights, electricians, repair men	100
Riggers, sheeters, boiler-makers, &c.	30
Bricklayers	8
Transportation loading, unloading, and re-loading, &c.	96
Construction men, engaged in new work	10
Total hands	477

This is one of the greatest iron works in the world, and the output is 620,000 tons a year, which works out at about 1,300 tons per man per annum. At this rate 115 men could make enough iron to supply the whole of Australia. Yet we have gentlemen promising that if iron works were established they would lead to the employment of thousands and thousands of men. Indeed, I have seen figures by which it was sought to show that 10,000 men could be employed. Mr. Jeans says—

At the same works, in the steel department, 343 men are engaged at the open-hearth furnaces, converting, by the basic process, which is coming so much into vogue in America. The average per man was 1,350 tons per annum.

That is the process that we shall probably adopt in Australia, because the basic process is more suitable for the treatment of our ore

than the acid process or the Bessemer process, which is being displaced all over the world in favour of the open-hearth process. The reason is that ore that contains a large percentage of phosphorus can be treated under the new process better than was possible under the old one. Therefore, in quoting the figures which I have given, I am taking what has happened under the most expensive system of converting iron into steel. But the more recent discoveries have led to steel being made quite as cheap by the basic process as by the old Bessemer process. These discoveries are of great advantage to us in Australia, because our iron ore is highly charged with phosphorus.

Senator MULCAHY.—Not the Tasmanian ore.

Senator DE LARGIE.—Yes; the best Tasmanian ore is the Blythe River ore, and the proportion of phosphorus contained in that is, according to the opinion of experts, too high to admit of the making of steel for rails by the old process. Of course, if Senator Mulcahy poses as an expert, I am willing to bow to his better judgment; but until I know that he has some knowledge of the question I shall accept the opinion of men whose reputation stands high. They say that the proportion of phosphorus in the Blythe River ore is so great that it could not be treated by the Bessemer or acid process nearly so well as by the open-hearth basic process.

Senator MULCAHY.—I have never seen that statement.

Senator DE LARGIE.—The fact of our ores being highly charged with phosphorus has no doubt had something to do with our not being able to establish works. At the works to which I am referring the steel department employs 343 men, and we are told that the open-hearth furnace, for converting pig into steel, is coming into vogue in America, and that the production per man is 1,350 tons per annum. At that rate three open-hearth furnaces, employing at most 100 men, could supply us with all the steel needed in Australia. I estimate that we should not need more than 100,000 tons of steel rails per year; and have made that estimate the basis of my figures.

Senator FINDLEY.—Has the honorable senator taken into consideration the probability of the construction of an Inter-State railway?

Senator DE LARGIE.—I am taking into consideration the probability that the conscience of Australia will be awakened

to the fact that until an Inter-State railway is built the Continent will be no more federated than it was before the Federal Constitution was passed. This may be a laughing matter for Senator Styles, but I am sure that he is just as anxious as anybody to see Australia developed. We have none of the waterways which are such a common feature of other continents, and, therefore, Australia can be opened up only by the construction of railways.

Senator FINDLEY.—We have a big Bight.

Senator DE LARGIE.—And if Senator Findley crossed that Bight he would doubtless be converted to the necessity for a railway. And for the very reason that an Inter-State railway must be built, and that it will be a Federal railway, we cannot do better than have the necessary raw material at hand, a step the economy of which would be approved by Senator Styles.

Senator TRENWITH.—Will not the iron works be started before then?

Senator DE LARGIE.—The works will be started at the earliest opportunity. In regard to the Edgar Thomson Works, Pittsburg, which are now under the Steel Corporation, it is stated that, in the rail department, 105 men are engaged, who average 29 tons per man per day. If we produce at that rate, twenty-three men will roll all the rails we require in Australia.

Senator TRENWITH.—That does not comprehend the men that would be employed in mining and other operations.

Senator DE LARGIE.—Even if I were to add the men required for mining the coal and ore, and preparing the coke, the numbers would not, after all, be so very great. There is a gentleman just outside the Chamber who has in his possession a sample of ore from some part of Gippsland, and he informs me that one man could produce at least five tons per day, a figure which does not promise the employment of many men.

Senator HENDERSON.—But, would not employment be given to a large number of coal miners?

Senator DE LARGIE.—I have no doubt that the establishment of iron manufacture would do some good to the industry, the welfare of which Senator Henderson has so much at heart. We can see by the figures that, owing to the invention of labour-saving machinery and better equipped furnaces, the number of men that would be given employment would not be anything like so great as has hitherto been supposed. In that fact I rejoice, rather

than otherwise. If we can produce all we require with the minimum of labour, by taking advantage of the latest appliances, we shall only be acting wisely. In my opinion there is no sense in making work unnecessarily, and my only desire is that all those up-to-date appliances should as far as possible be obtained and retained in the hands of the Government, so that the people as a whole, and not a few, shall reap the advantage. Of course, all the iron works in America are not so well equipped as those to which I have referred, there being still a number of employers who do not feel justified in displacing the older plant for the time being. I mention the factories equipped with the most modern appliances, because it is very likely that, if we establish this industry, we shall follow their example in order to reap the greater profit by producing at the minimum cost. In the near future the Commonwealth may have great difficulty in finding sufficient money with which to carry out public works, and there is no justification for shutting our eyes to new sources of revenue, such as this industry presents. There are no vested interests to be considered, and to carry out my idea would do harm to none but much good to the whole community. I do not refer to the cost of making the iron in Australia. I have no doubt that honorable senators have read the report, in which they will see that, according to the evidence of Mr. Sandford, iron can be produced at the low price of 35s. per ton, though I am of opinion that we might reduce that figure by 5s., and still be over-estimating the cost. In Australia there are as big, and, perhaps, bigger bodies of ore than in any other portion of the world. In Tasmania, and South Australia, there are mountains of ore, while in the watershed of the Murchison River, in Western Australia, there is, perhaps, the finest body of ore in the world. Unfortunately, however, all the States are not so well suited as New South Wales for the manufacture of iron, and, therefore, it is my belief that in that State the industry will be established. For my part, I think that the work ought to be carried on in Federal territory. The time is not far off when we shall have selected the Federal site, and, if southern Monaro should be the place, it would prove an ideal locality for iron works. No doubt the works would be established somewhere

adjacent to Twofold Bay, where there is ample water power, with coke and iron ore within easy reach.

Senator DAWSON. — The necessary water power cannot be got at Monaro.

Senator DE LARGIE. — I think that ample water power could be obtained on the coastal regions near Twofold Bay. I do not intend to deal with the mining of the ore and the coal, or the making of the coke. As to coke, ample supplies can be obtained from Illawarra, of a quality, perhaps, as good as any in the world, at the low cost of 8s. or 9s. a ton. It will be seen that I have some consideration for vested interests. It is a question whether the iron ore would be brought from Tasmania, the western parts of New South Wales, or from the recent find in Gippsland.

Senator O'KEEFE. — The ore would perhaps be brought from several places, and mixed at the works.

Senator DE LARGIE. — And that might produce a better article. I think I have already said that there is little probability of our ever seeing this industry established on free-trade principles. Several efforts have been made to establish the industry in New South Wales, but they have all failed. In explanation of these failures, it has been urged that the market was limited to New South Wales, and did not justify the construction of works; but it must not be forgotten that there never has been any duty or barrier placed on the importation of pig iron in any of the States, and that, therefore, the whole Australian market was open to the industry. No effort to establish the industry under free-trade conditions has ever succeeded, owing to the fact that the wages in Australia are considerably higher than they are in the old country. Some of the best brands of iron are made on the west coast of Scotland, where common labour, as I knew over twenty years ago, was remunerated at as low a rate as 10s. per week. Russian Poles were imported to that part of Scotland to supply labour in works which produced the best pig-iron in the world, and, notwithstanding the high prices obtained for that iron, labour was paid at that low rate.

Senator MCGREGOR. — No wonder an iron manufacturer there could give £500,000 to the church.

Senator DE LARGIE. — One of the iron kings did at one time give £500,000 to the Established Church of Scotland, and

if he had given another £500,000 to his poor sweated work people he would, I think, have had a better chance of Paradise. Mr. Mitchell, M.L.A., of New South Wales, who made several attempts to establish the iron industry in that State, told me on one occasion that he was going to England in order to form a syndicate to commence operations at Illawarra.

Senator WALKER.—Mr. Mitchell was a free-trader.

Senator DE LARGIE.—But I am pleased to say that, after making inquiries in London, and after having experts out here to examine the ore and inquire into the facilities for producing iron, Mr. Mitchell was converted from his free-trade folly. He admitted that it was impossible under free-trade conditions to produce iron in New South Wales.

Senator DAWSON.—What has free-trade to do with the motion?

Senator DE LARGIE.—I wish to show that the industry cannot be established under free-trade, and I can assure Senator Dawson that I have no intention of proposing its establishment under protection. We find that the manufacturers who have to purchase the raw material from the great trusts which exist in that protected country, are crying out against the enormous prices, as compared with the prices which manufacturers abroad pay for the same class of iron.

Senator DAWSON.—Does the honorable senator realize that protection makes trusts possible? There cannot be trusts under free-trade.

Senator STYLES.—Cannot there? What was the cause of the high price of kerosene in New South Wales under free-trade?

Senator DE LARGIE.—We need not go far in order to ascertain that the cost of iron is as great, if not greater, in the United Kingdom than it is in the United States. The only time the iron manufacturers in Scotland or England were able to buy their raw material cheaper was during what is known as the dumping period, when the surplus stocks of America were sent there and sold for less than the cost of production. Senator Dawson says that there cannot be trusts under free-trade; but as a matter of fact we are paying higher prices for pig iron and rails in Australia under free-trade than are paid in the United States of America. Free-traders like to deal in generalities, but I now give them a concrete instance, in the fact

that iron under free-trade is actually dearer than it is under protection. We could have iron produced here cheaper, under State enterprise, than it can be bought at the present time. For the benefit of honorable senators, I shall refer to the results of the iron industry in America, so far as they affect manufacturers who require to purchase raw material. I quote again from *American Industrial Conditions and Competitions*. The writer says—

One of the largest manufacturing concerns in Bridgeport, Conn., in May, 1901, sent a communication to the press, pointing out that manufacturing associations in the various cities were handicapped in the cost of their raw material, such as coke, coal, pig iron, and steel. They believed that as these materials were produced cheaper in the United States than in any portion of the world, and are sold abroad at lower prices than at home. The Secretary of the Tariff Reform Committee declared to an Industrial Commission, now sitting in the United States, that the Trust sell tin-plates abroad at a dollar a box less than at home. Wire nails sold in the United States at 3 dollars 50 cents a keg were sold abroad at 2 dollars 20 cents. Steel rails were sold at 5 dollars a ton more in the United States than abroad. Plain wire is quoted at 11 dollars cheaper to the Canadian than to the home buyer. When barbed wire was being sold to the Americans at 4 dollars per 100 lbs., it was being sold to Canadians at 3 dollars 25 cents, and to more remote foreigners at 2 dollars 20 cents.

Senator DAWSON.—The universal experience is that, under protection, the home consumer pays more for what he purchases than does the foreigner.

Senator TRENWITH.—That has often been said, and as often refuted.

Senator DE LARGIE.—That is a problem that I shall leave to another occasion. It is sufficient for me to say that, under protection in the United States, iron is, to-day, being produced at a lower cost than ever it was before; and the manufacturers, notwithstanding their justifiable complaint that they are unable to purchase at as low a price as persons abroad, are buying iron cheaper than they used to buy it.

Senator GRAY.—Then what do they want protection for?

Senator DE LARGIE.—I might just as well ask the honorable senator why he wants free-trade.

Senator GRAY.—The honorable senator has said that the price is lower in America than anywhere else, including the United Kingdom.

Senator DE LARGIE.—I did not say anything of the kind. I do not say that people are buying iron cheaper in the

United States than in the United Kingdom, but, I do say, that iron is cheaper in the United States now than it ever has been before.

Senator DAWSON.—In consequence of the Tariff.

Senator DE LARGIE.—The honorable senator can put it down to whatever reason he pleases.

Senator DAWSON.—The honorable senator is putting it down to a particular reason, and I should like to know whether that is really the reason.

Senator STYLES.—Yes, it is.

Senator DE LARGIE.—I have said that while the manufacturers are not getting the raw material as cheaply as they ought to get it, they are still getting it more cheaply than before. I should like, again, to quote from *American Industrial Conditions and Competitions* to show that the profits of the industry in America more than justify us in undertaking the establishment of the iron industry in Australia. At page 301 of the work the writer says:—

It is not an easy matter to arrive at the financial results attending the operations of large firms. When the profits are exceptionally great there are often good reasons for taking care to conceal them. Questions of taxation, rating, labour remuneration, are liable to be adversely affected by a disclosure of excessive profits. The profits of the Carnegie Company have been disclosed as a result of certain litigation between Mr. Carnegie and his partner, Mr. Frick. Their profits in 1900 were over 20,000,000 dollars.

That is the profit which these two gentlemen shared between them, and it shows the enormous profit which may be derived from the industry in America. It is probable that this disclosure would never have been made had it not been for the threatened law-case which "let the cat out of the bag." We know that Mr. Carnegie has made a great fortune; and that the Pierpont Morgans, the Schwabs, and other millionaires have also made enormous fortunes in America.

Senator DAWSON.—Out of protection.

Senator DE LARGIE.—I draw Senator Dawson's attention to the fact that in the United Kingdom, under free-trade, there are millionaires also who have derived their fortunes from the iron industry.

Senator WALKER.—They did not make their fortunes so quickly there.

Senator DE LARGIE.—They have made them all too quickly for the unfortunate people who have had to exist on 10s. a week.

Senator GRAY.—That shows that there is no necessity for protection.

Senator DE LARGIE.—I am not arguing for protection for this industry.

Senator DAWSON.—I have not heard the honorable senator argue anything else.

Senator DE LARGIE.—I have tried to keep strictly to the motion, but rabid free-traders can never get away from the question of free-trade and protection for five minutes. The authority from whom I have already quoted also says—

The average profits made during 1900 in the United States iron and steel trade is 20½ per cent. on the capital invested. A document placed in my hands shows that the Jefferson Furnace Company has paid dividends amounting to 1,917 per cent. on their capital, being an average of 66 per cent. per annum for 29 years.

The writer adds that—

This is in nowise an exceptional circumstance. As to the profits derived in the Dominion of Canada, where the iron industry has been created by bounties paid by the Canadian Government, I find that the same writer says—

The Dominion Iron and Steel Company have issued a statement that if their estimate of an annual production of 400,000 tons be realised, they will have to receive from the Canadian Government up to the end of 1907 bounties to the total amount of £1,621,000, or an average of £231,572 per annum.

These quotations justify me in saying that no matter how this industry is brought into existence in Australia it will be found to be a very profitable undertaking for those who secure control of it. Recognising the enormous profits to be derived from the industry, and recognising the fact that under a system of bonuses, or of protection for its support, it is the rate-payers who have to pay the piper. I desire that whatever profits are to be derived from this industry shall go into the collective pocket of the taxpayers in return. I may say that in America, the United States Government set a precedent in the establishment of iron works. Two or three years ago they called tenders for steel armour plates for their war vessels, but the prices tendered were so great that they determined to start works of their own. The moment they threatened to do so the prices came down with a run, and the next time tenders were called for they had been reduced by something like £20 per ton. This was the result of a mere proposal on the part of the Government to start iron works. Congress gave the Government power to do so, but unfortunately they did not take

advantage of it to establish iron works of their own. We have a case in point in Japan, where iron works have been established by the State, and, according to a Blue-book published by the British Government, those works are at present in a very flourishing condition; and the very fine ironclad vessels in the possession of the Japanese Government are to a great extent due to them. I should like to read for honorable senators an article published in the *Sydney Worker* of June last on the establishment of iron works by the Government of Japan. In that article it is stated that—

Mr. Ernest Griffiths, of the British Consular service in Japan, has prepared an interesting report on this new development in Japan, which is appended to the annual report from Shimonoseki, and has been published by the British Government as a parliamentary paper. This document states that the Government of Japan, as a result of inquiries by a Commission and experts, who studied the great iron and steel industries of Europe and America, induced the Japanese Parliament to appropriate 20,000,000 yen, equivalent to £2,000,000, for the establishment of works at Wakamatsu in the north-west corner of the island of Kin-Shiu, near the open ports of Moji, and Shimonoseki. The works cover about 320 acres, and harbour improvements are being made, which will enable a ship of 3,000 tons displacement to berth at the quay wharf, which extends along the front of the works. The quay and all parts of the works are connected with a main line of railway, and there are about 20 miles of railway within the works. The raw material, consisting of magnetite, hematite, and a smaller quantity of zimonite, are all obtained in Japan, although supplies are also drawn from Hu-peh in China. Two iron mines and three coal mines have been acquired by the Government, all of them within 20 miles of the works, and connected with them by rail. It is estimated that when in full working order the establishment will require 250,000 tons of ore, 380,000 tons of coke, and 800,000 tons of coal per annum. Iron ore will be laid down on the works at a cost of 10s. per ton. A recent official announcement states that the works are designed to supply the steel materials required by the Government Department. The works will, however, supply certain kinds of steel to the public, but only in large quantities to the Japanese engaged in the industry at prices lower than those ruling for imported articles of a similar kind.

I also claim for our Australian iron-works, when established, that they will be able to produce the raw material at a much lower cost than that for which it is at present being bought in Australia. The article proceeds:—

The production of pig-iron began in February, 1902, and in May of that year Siemen's steel was being produced at the rate of 40 tons daily. In June the production of rails and plates was started. The head of the works has stated that

from 90,000 to 100,000 tons of steel can be produced annually, and that the profits will undoubtedly cover in a reasonable time the capital invested in this most important industry.

Senator GRAY.—Are the wages given in that article?

Senator DE LARGIE.—No, wages are not mentioned. Whilst I should like to see Australia follow the example of Japan in the establishment of State iron-works, I hope we shall never follow the Japanese example so far as wages are concerned.

Senator GRAY.—I was merely raising the question of the industry paying there as compared with its prospect of paying here.

Senator DE LARGIE.—I have already referred to the cost of production in the United States and in Canada, where wages are high and the conditions are somewhat similar to our own. From the information I have supplied on that point we can get a shrewd idea of the profits likely to be derived from the industry, allowing for the wages which must be paid here. I hope honorable senators will interest themselves sufficiently in this question, and I have no doubt that they will find that we have everything to gain from a national and an industrial stand-point by the establishment of iron-works by the Government. The workmen engaged in the industry would be much better treated if they were employed by the Government than if they were employed by a private employer. We know that that is the case at present. We know that the conditions in America are not too good, so far as the worker is concerned, and we know that they are infinitely worse in the United Kingdom. It is indeed scandalous that in the United Kingdom workmen, who have to bear the heat and burden of making iron, have to work for the low wages to which I have referred, namely, 10s. per week. I recognise that we shall have to pay a decent rate of wages for work in our hotter climate, but I recognise also that we shall be in a position to do so. We have abundance of iron ore and coal, and our natural facilities for carrying on the industries will enable us to pay good wages. I prefer that it should be established under the benign influence of the Government, and in the hands of the State, rather than that the profits to be derived from the industry should go to private persons, who are to be assisted in its establishment, as proposed by the Government, to the extent of £250,000. In this twentieth century, I should regard such

a proposal as a crime, when we are aware of the enormous profits to be derived from the industry, and that at the present time manufacturers have to pay perhaps twice as much for their raw material as they would have to pay if State iron-works were established here. I, therefore, ask for the establishment of State iron-works to safeguard the interests of the taxpayers, and the interests also of the manufacturers, who will be enabled to purchase the raw material they require at a lower price than they can purchase it at present if this industry is carried on in Australia under the control of the Government. From every standpoint, honorable senators must admit that we have everything to gain, and nothing to lose, by carrying into effect the motion I have the honour to submit this afternoon.

Senator PLAYFORD (South Australia)—Vice-President of the Executive Council).—I desire to inform the Senate of the position which the Government take up with regard to this motion. We must all congratulate Senator de Largie, who has shown that he has studied the question with a great deal of care, and who has given us an immense amount of exceedingly valuable information. But I think this is certainly not the proper time for us to commit ourselves to any special principle with regard to the question. Honorable senators who have followed the course of events during the last year or two will remember that the Barton Ministry believed that the States should take up the manufacture of iron. In the first Bill they introduced they inserted a clause dealing with that subject to this effect—

Provided that no bonus shall be paid in respect of pig iron, puddle, bar iron, iron or steel pipes or tubes of steel, unless the same is manufactured in works operated by a State Government.

That was the original intention of the Barton Government. They proposed a bonus for the purpose of establishing this exceedingly important industry, and they preferred that the bonus should be paid to some State authority. It was a doubtful subject possibly, but they recognised at the time that so far as they could see the Constitution did not give power to the Federal Government to establish works of this character. Senator de Largie, in his opening remarks, alluded to the opinion on this subject given by Mr. Deakin at the request of Mr. Kingston. I also quoted an opinion by the present Attorney-General. From the report of the Royal Commission which subsequently

sat on the Bill, I know that that is the opinion of Mr. Kingston. I have never heard a contrary opinion expressed by any legal authority. It would not take me by surprise, however, if I heard that there was a lawyer who took an exactly opposite view to the gentleman whom I have named. The Bill was referred to a Select Committee, which was afterwards converted into a Royal Commission, and a report was brought up. In the meantime we had ascertained the opinions of the various States on the subject. The Prime Minister, in reply to a request by Mr. Kingston, forwarded the following communication to the Premier of New South Wales:—

Herewith I forward a copy of clause 3 of the Manufactures Encouragement Bill, as recently amended in the House of Representatives, and shall be glad if you will be good enough to inform me whether, in the event of the Bill passing into law in its present form, there is any probability of advantage being taken of its provisions by your Government.

If you can kindly favour me with a reply in this matter before the reassembling of the House of Representatives (fixed at present for the 22nd inst.), I shall be much obliged.

Sir John See made the following reply:—

I desire to inform you that my Government have given the fullest consideration to the matter of the establishment of iron works and works of a kindred character, and are of opinion that such should be carried out by private enterprise rather than by the Government of the State.

I might add that we favour both a duty and a bonus, and should be glad to support any action taken by the Federal Government in regard thereto.

From Mr. Irvine, the Premier of Victoria, the following reply was received:—

There is no probability of advantage being taken of its provisions by the Government.

Mr. Philp, the Premier of Queensland, made the following reply:—

There is no likelihood of this Government adopting the course indicated, as it is not our intention to erect or carry on manufacturing works in Queensland.

Mr. Jenkins, the Premier of South Australia, said, in his reply:—

I have the honour to inform you that the probability of advantage being taken of its provisions by this Government depends entirely upon circumstances.

Mr. Jenkins was asked by telegram to explain what he meant by the phrase "it depends entirely upon circumstances," and he wired the following explanation:—

Referring to your telegram of 17th inst. re Manufactures Encouragement Bill, this Government has no intention of starting such works, and

the circumstances referred to in letter of 8th July mean the discovery of coal deposits which could be utilized in conjunction with our iron ores.

Sir Elliot Lewis, the Premier of Tasmania, replied that that State did not intend to take advantage of the Bill. Every attempt was made by the Government to ascertain the opinion of the States, who undoubtedly have the power, if they chose to exercise it, to undertake these works. It is very doubtful whether the Commonwealth has the power without an alteration of the Constitution. If we were to pass a Bill, in which we exceeded our powers, the High Court could be invoked to declare our legislation *ultra vires*. The members of the Royal Commission were equally divided in their opinion, and the report, which was carried by the casting vote of the chairman, was signed by Mr. Kingston, Mr. Groom, Mr. McCay, Mr. Mauger, Sir E. Braddon, and Mr. Watson. It was signed by both free-traders and protectionists. They recommended the Bill, as it stands, without the clause relating to the States, because the States had informed the Government that they would not undertake the work. The only alteration which the Commissioners recommended was that provisions should be inserted in the Bill—

(a) Securing the equitable settlement by conciliation or arbitration of all industrial disputes in relation of any work for the earning of bonuses.

(b) Securing to the Commonwealth or to the State in which the work for the earning of bonus is being chiefly carried on a right of purchase of the undertaking, after a fair interval, at a valuation.

The first recommendation is adopted in the Conciliation and Arbitration Bill, and the second one has been inserted in the Manufactures Encouragement Bill. Senator de Largie has said that it would become a monopoly, and would be injurious to the best interests of the people of the Commonwealth. Under the provisions of the Manufactures Encouragement Bill, it cannot become a monopoly injurious to the best interests of the people of the States, because it contains a provision that, after the termination of the bonus, the States can step in and take over the works at a fair valuation. If it is such a wonderfully prosperous concern the States will step in. The chance of any monopoly growing up in the circumstances is guarded against.

Senator DE LARGIE.—The Government wish to establish a vested interest.

Senator Playford.

Senator PEARCE.—That report was only carried on the casting vote of the chairman.

Senator PLAYFORD.—Yes. I can quote a portion of the majority report to show that the six gentlemen by whom it was signed did not believe in the Commonwealth undertaking the work.

Senator DAWSON.—But they did.

Senator PLAYFORD.—According to the report they did not; they reported in favour of a Bill under which neither the Commonwealth nor the States were to undertake the work. The minority report was signed by Mr. Hughes, a free-trader, Mr. Winter Cooke, a free-trader, Mr. Kirwan, a freetrader, Mr. Watson, a protectionist, Mr. Joseph Cook, a free-trader. Here we find a report signed by one protectionist and five free-traders. What is the substance of their report? It is that it will not pay anyone to undertake the work.

Senator PEARCE.—But they did not say so.

Senator PLAYFORD.—They said something very much like it—

The evidence given failed to establish a case in its favour.

Senator PEARCE.—In favour of the bonus.

Senator PLAYFORD.—No, in favour of the Bill. They did not give the slightest hint that they approved of the Commonwealth undertaking the work, but they said—

The evidence given failed to establish a case in its favour. Several witnesses thought the establishment of iron works in the Commonwealth premature, and much of the evidence was strongly against any attempt by the Government to establish the iron industry by the payment of bonuses.

In a previous paragraph they said —

The evidence failed to show that there was any commercial necessity for the bonuses proposed.

There we have the majority report in favour of the Bill which was introduced in another place, and those who dissented from that report are certainly not in favour of the construction of these works for the Commonwealth. The opinion of those who have looked into the legal aspect of the question is that it is not competent for the Commonwealth to enter upon such an enterprise.

Senator DE LARGIE.—Not quite so strong as that.

Senator PLAYFORD.—I do not pretend to be a great constitutional authority, but certainly there are no express words in the Constitution which give that power to the Commonwealth.

Senator DE LARGIE.—Take the Prime Minister's opinion.

Senator PLAYFORD.—His opinion is all hypothetical. What he said was that, if we wanted to make some guns or some rails for the purpose of our railways, we might be able to make our iron from the ore, to roll our own rails and to make our own guns, and he goes on to say that, even if that were the case, we might be able to sell some of our surplus stock.

Senator DE LARGIE.—Hear, hear! That is sufficient.

Senator PLAYFORD.—Any one who has seen the manufacture of a cannon will admit that it would not pay the Commonwealth, for the sake of the few cannons which it might require, to put up the very expensive machinery and plant which are necessary for the manufacture. Any one who holds the opposite opinion must be fit for a lunatic asylum or suffering from softening of the brain. It would be necessary to spend an enormous sum to provide for the manufacture of big guns. In Woolwich Arsenal I have seen the manufacture of a gun in all its stages, and have been astonished at the wonderful things which can be done in the matter of lifting weights and boring solid masses of iron and steel. It is simply absurd to talk about the Commonwealth making its own guns. In consequence of the immense sum which is involved in its production, the machinery has to be kept going day and night. When we want guns of a certain pattern in England, we have to give an order at least two years in advance. This immense machinery must be kept in working order. Has the honorable senator estimated the expenditure that would be involved in the construction of the necessary works.

Senator DE LARGIE.—At the very most a million.

Senator PLAYFORD.—For the purpose of manufacturing iron, we are to establish works of that magnitude. To talk of confining the industry to pig iron is simply absurd. That would be of little or no use. There are only about 30,000 or 40,000 tons of pig iron required in this community every year. That quantity would not keep the furnaces going. We must go in for the manufacture of other kinds of iron. The Government Bill provides for the manufacture of pig iron, puddled iron, steel, iron and steel pipes, tubes, and so on. We not only require to manufacture pig iron, but iron which is malleable;

we also require to manufacture the steel that is used in the Commonwealth. Works for that purpose would cost at least £1,000,000. There are only certain places at which such works could be established. To talk about establishing them at Southern Monaro, or near Bombala, is absurd. Where would the iron come from?

Senator DE LARGIE.—I said at Twofold Bay.

Senator PLAYFORD.—The honorable senator said that the works could be established at the Federal Capital. Is the Federal Capital to be at Twofold Bay?

Senator DE LARGIE.—I said within the Federal territory.

Senator PLAYFORD.—I shall be very glad indeed if we can secure Twofold Bay as part of the Federal territory. But I think there is a lion in the path there. New South Wales is not likely to allow us to acquire Twofold Bay when we are going to have a capital fifty or sixty miles from that spot. But those are questions which will have to be considered later on. I have read the evidence through, and, leaving Lithgow out of the question, it seems to me that there are two suitable places for the establishment of smelting works—one where the coal is found, and the other where the iron ore is obtained. We could have coal-ships carrying the coal to the place where the iron ore is obtained, and for back loading taking iron ore to where the coal is obtained.

Senator DE LARGIE.—Is the honorable senator aware that one furnace, producing 150,000 tons per annum, would be sufficient to supply the Australian market?

Senator PLAYFORD.—I am not at all sure about one furnace being sufficient. After the pig iron is made it has to be converted into steel, and so on. Different furnaces would be required for different processes.

Senator DE LARGIE.—I believe I said that we should require one blast furnace, three steel converters, and the necessary milling furnaces.

Senator PLAYFORD.—As we have had a Commission, which has furnished a report, as the Government have introduced a Bill in compliance with the views of a majority of the Commission, and as the second reading of that measure has been moved in another place, it will be better to wait until we know the fate of the Bill before proceeding further. That Bill provides not only for bonuses for the

manufacture of iron, but also for spelter. That subject is interesting to Tasmania, where the people know something about tin. The Bill also provides for bounties for the manufacture of galvanized iron, wire netting, and reapers and binders within the Commonwealth.

Senator DE LARGIE.—I do not propose to touch those subjects.

Senator PLAYFORD.—Would it not be much better for us to wait and see what is done with that Bill before we proceed further? Why should we pass a motion of this kind, and commit ourselves to a principle before we know what is to be done with that Bill? Let us wait until we know the form in which the Bill will reach us; when, if we like, we can fight out the matter of Government enterprise as against private enterprise. The honorable senator can then bring forward an amendment of this kind, and we can discuss the principle involved in it. Under the circumstances, it would be well for the honorable senator to withdraw his motion. The Government must, under the circumstances, oppose it, as they have a Bill dealing with the same subject before another place.

Debate (on motion by Senator HENDERSON) adjourned.

NAVIGATION BILL.

Debate resumed from 13th April (*vide* page 879), on motion by Senator DRAKE—

That the Bill be now read a second time.

Senator PEARCE (Western Australia).—The Bill with which we are now concerned is one that I am sure will require the very keenest attention from the Senate, in order to fashion it into a measure which will be of some practical use to the community. It is the first instalment of Commonwealth legislation on the subject of navigation. By no means does it exhaust the powers of the Commonwealth in dealing with that subject. For instance, the Bill before the Senate does not touch the subject of light-houses, light-ships, buoys, beacons, Marine Boards, and Harbour Boards, with regard to all of which subjects we have power to legislate, and all of which are intimately concerned with navigation. It is, perhaps, an objection to the Bill, that it deals with so few of the questions affecting navigation. But at the same time, every one must admit that if the Government had attempted to deal with all of those subjects in one Bill, the result would have been an exceedingly cumbersome measure, and one which would have taxed the resources of

both Houses of Parliament to the utmost. To a certain extent the Government have erred on the right side in not embracing too many subjects within this Bill. The others can be dealt with by legislation later on, and in the meantime the present State legislation can continue in existence.

Senator GUTHRIE.—People concerned in navigation will not know where they are.

Senator PEARCE.—That is not a valid objection for the reason that mariners are already conversant with the laws of the States on these subjects, and all they will require to be conversant with now in addition will be this law on the limited subjects with which it deals.

Senator GUTHRIE.—They will require to know the States laws, the Commonwealth law, and the Imperial law.

Senator PEARCE.—There is no reason why the Bill should not deal fully with the subjects with which it professes to deal. That is what should be done. If the Bill does not deal thoroughly with the subjects with which it professes to deal, the honorable senator will be able to see that it is made to cover them. The striking feature of the Bill seems to me to be the principle that Australian coasting trade should be reserved for ships observing uniform conditions. That is the main principle around which the Bill hinges. It is a principle which no Australian can cavil at, whether he be a free-trader or a protectionist. Because while free-traders have a very strong objection to what is called the encouragement of industries by means of Customs duties, no free-trader would be so insane as to suggest that we should allow a factory to be established here under one set of conditions and another factory to be established under another set of conditions. I take it that every free-trader who is at all intelligent must say that in Australia we should have for our competing manufacturers and our competing ship-owners equal conditions. I believe that such equal conditions can be established under such a Bill as this. Roughly, we may say that the desired end in a Navigation Bill is that it should provide for the following conditions:—The protection of Australian shipping against unfair competition; the registration of vessels engaged in the coasting trade; the efficient manning of vessels; proper life-saving equipment; the regulation of hours and conditions of work; proper accommodation for passengers and seamen.

Senator PLAYFORD.—All confined to coasting vessels?

Senator PEARCE.—All confined to vessels engaged in our coasting trade.

Senator DAWSON.—Why have any exemptions?

Senator FEARCE.—There are some reasons, which I will mention presently, why we should have exemptions. The further condition is that the Bill should provide for proper loading gear and the inspection of the same. I hope that we shall not forget, in our anxiety to do justice to the seamen, that there is a class of men engaged in work that will be affected by this Bill, for whom proper safeguards should be provided. I refer to the class engaged in loading and unloading the ships that come to our ports. There is a pretty heavy death roll, and also a heavy roll of men incapacitated owing to defective gear whilst working at loading and unloading ships; and we have an excellent opportunity now to safeguard those workers. I am glad to say that from the Attorney-General we have received a cordial invitation, of which I hope honorable senators will avail themselves, to attempt to shape this Bill in any direction we think good. The Attorney-General showed himself to be possessed of a perfectly open mind when, in reply to an interjection, he said that if the provisions did not meet with approval, amendments would be received by the Government in the most friendly spirit.

Senator DRAKE.—The Government will be pleased to receive any suggestions whatever.

Senator PEARCE.—But does the Bill provide for the conditions I have enumerated? Part VII. professes to deal with the protection of Australian trade against unfair competition, but I fancy that on investigation these professions will prove groundless. Clause 298, sub-clause *a*, which deals with the coastal trade, provides that no foreign vessel shall engage in that trade unless licensed to do so, and —

That the seamen employed on the ship shall be paid wages in accordance with this part of the Act.

Honorable senators will find that Part II. deals with British ships, and enforces certain conditions relating to wages, discipline, and other matters; and while in Part VII. only seven clauses are found necessary to control foreign vessels, no fewer than 29 clauses are required in Part II. enforcing the wages conditions for British and Australian vessels.

Senator DRAKE.—Clause 300 provides for the payment of the current Australian rates.

Senator PEARCE.—These are the machinery clauses for safeguarding the payment of wages.

Senator DRAKE.—There are special clauses to that end.

Senator PEARCE.—But the clauses as to foreign ships are not nearly so stringent or far-reaching as those in regard to the payment of wages on the British ships. A foreign ship engaged in the Australian coasting trade should be subject to exactly the same machinery, if not machinery a little more stringent than that applied to an Australian or British ship.

Senator DRAKE.—As regards wages?

Senator PEARCE.—Yes.

Senator GUTHRIE.—And other conditions.

Senator PEARCE.—At present I am dealing with the question of wages only. The fact that only seven clauses are found necessary to regulate foreign shipping, as compared with 29 clauses to regulate British and Australian shipping, would seem to show that in the opinion of the Government it will be more difficult to catch the local ship-owner than to catch the foreign ship-owner.

Senator DOBSON.—Is it quite clear that the 29 clauses in Part II. do not apply to Part VII.?

Senator PEARCE.—Quite clear. But that is not the greatest weakness in the Bill. Clause 306 gives the Governor-General power to altogether exempt vessels from the operation of the Bill. That clause reads as follows:—

The Governor-General may, if he thinks fit, by proclamation, exempt ships registered in or sailing under the flag of any foreign country from the provisions of this part of this Act requiring such ship to be licensed before they engage in the coasting trade, if he is satisfied that by the law of that country British ships may engage in the coasting trade of that country without a licence and as freely as ships registered in or sailing under the flag of that country.

According to that clause, we practically say to Germany—"You give us nothing, and, therefore, we will give you something; Australian ships do not trade around your coast, and are not likely to do so; but, because you allow British ships to trade round your coast, we shall allow your ships to trade around the Australian coast on your conditions, or on any conditions." Senator Symon last night worked himself up into a fearful rage about the exemption of Western Australia, although that is a mere

"fleabite" compared with the exemption which may be made under clause 306. The honorable and learned senator "strained at a gnat and swallowed a camel."

Senator DOBSON.—I hope we shall swallow neither.

Senator PEARCE.—Whether we do so or not, clause 306 does not mean the exemption of any part of the coast for a time, but the exemption of all the coast for all time.

Senator GUTHRIE.—And merely by proclamation.

Senator PEARCE.—That is so. With the preferential trade idea in the air we shall have the Governor-General taking this clause as an instruction that all countries which give the right of the coastal trade to British ships shall be free to trade all round the Australian coast. I should now like to deal with the provisions as to conditions of labour. Part II. deals with such matters as the supply of seamen, apprentices, rating of seamen, discipline, provisions, health, accommodation, protection of seamen, and other matters, in regard to all of which British and Australian ships have to observe the conditions prescribed in the Bill. So far as I can see, foreign ships which are dealt with in Part VII. are exempt from all the provisions in regard to the matters I have just enumerated.

Senator GUTHRIE.—A foreign ship is subject to the Bill only in regard to manning and wages.

Senator PLAYFORD.—I suppose we cannot interfere with foreign ships in regard to the other matters?

Senator PEARCE.—If we have power to interfere in the matter of wages surely we have power to interfere in the matter of, say, the number of apprentices to be employed. It is incomprehensible that the Government should say—"We have power to deal with the matter of wages, but no power to make laws as to the air, space, the number of apprentices, and so forth." The fact that Part II. imposes all these restrictions on the Australian and British ship-owners, and does not apply them to the foreign ship-owner, makes this a measure to protect foreign shipping on the Australian coast. The British ship-owner should be placed in no worse a position than is the foreign ship-owner in reference to the essential conditions of labour.

Senator DRAKE.—We must show that we have power to do so.

Senator MCGREGOR.—We have power to do so, and foreign ship-owners who will not

comply with the restrictions will not trade on the coast; that is all that can happen.

Senator PEARCE.—Before the licence for coastal trading is issued to a foreign ship, the captain will be told that he must observe those conditions.

Senator DRAKE.—The honorable senator is now dealing with a different part of the Bill.

Senator PEARCE.—I am pointing out the connexion there is between Part II. and Part VII.

Senator DOBSON.—Supposing we bring foreign shipping under Part II., as I think we can, foreign vessels would not come here, and we should then be cut off from trade with several parts of the world.

Senator PEARCE.—These clauses do not affect over-sea vessels, but only foreign vessels which take out licences for the coasting trade. Why should a foreign vessel be exempt from conditions that are in force on British ships? Another matter is that of the employment of foreigners on ships engaged in the Australian coastal trade. The Government have seen fit to provide that officers applying for certificates shall be British subjects, speaking the English language.

Senator GRAY.—Absurd!

Senator PEARCE.—Whether it be absurd or not, if it is a good principle to apply to the officers, is it not a good principle to apply to seamen? The fact that the Government are at this moment considering a proposal to establish a naval reserve, is at any rate a powerful reason why at least three-fourths of a crew should be British subjects. In England at the present time evidence is being taken on this question, and in the Melbourne Age of 4th January there appeared this paragraph—

Australian reformers in general, and Australian seamen in particular, will be interested in a Bill to amend the Merchant Shipping Acts which Lord Wolverton has introduced in the House of Lords. Its principal feature is a clause intended to ensure an adequate knowledge of the English language by foreign seamen on British ships after 31st December, 1906. The section is not aimed at Lascars or African blacks, who are expressly excluded, but it represents a step in the direction of securing for British ships English-speaking crews. Another clause follows up a recommendation of the Royal Commission on Labour (1894) with reference to ships' cooks. It provides that every British foreign-going ship of 1,000 tons gross leaving a British port must carry a "competent certificated cook." It is also provided that all British foreign-going ships whose voyage exceeds 21 days shall have their provisions inspected.

I quote that only to show that we are not indulging in any revolutionary idea, when we suggest that if the officers must be all British, at least three-fourths of the crew should be British.

Senator GRAY.—Lord Wolverton refers only to the speaking of the English language, and does not propose the exclusion of foreigners.

Senator PEARCE.—If the condition as to language is laid down, no doubt a greater proportion of the crews would be British. I am sure the Senate must have been struck with the peculiar position taken up by Senator Symon on this Bill. The position which the honorable and learned member saw fit to take up upon the Bill, seems, to me, to have been this: He said—"This Bill will not attain its object, and I am, therefore, opposed to it. If this Bill did attain its object, I should still be opposed to it." It does seem to me peculiar, that the honorable and learned senator should argue, first of all, that we have no power to do many of the things we are trying to do, and that, if we did them, our action would be unconstitutional and of no effect, and then that, if we could do them, and did them rightly, he would still be opposed to our action.

Senator DOBSON.—That is perfectly consistent.

Senator PEARCE.—It may be; but it is a peculiar statement for the honorable and learned senator to make when he knows, as he does, that it is probable that, within the next few months, there will be an Arbitration Bill passed which will compel the Australian ship-owners, at any rate, to observe certain conditions. The honorable and learned senator is prepared to allow foreign ships to come in and share in the trade without observing those conditions.

Senator DOBSON.—He is not in the secrets of the Labour Party.

Senator PEARCE.—Is it a secret of the Labour Party that there is a prospect of an Arbitration Bill being passed? I read some time ago in the Melbourne *Argus*, that Senator Dobson, addressing a meeting in Tasmania, said that he was in favour of an Arbitration Bill.

Senator WALKER.—A voluntary measure.

Senator PEARCE.—Whatever shape the Bill was to assume, that statement appeared in the *Argus*, and was not contradicted, and if Senator Dobson is in favour of an Arbitration Bill, we may assume that there is a reasonable prospect that such a Bill will become law sooner or later.

Whilst Senator Symon's attack on the Bill as a whole seemed to me to be anything but Australian, his attack on the exemption in favour of mail steamers trading with Western Australia seemed to me to be highly parochial. The honorable and learned senator looked at the question through South Australian spectacles, and could see nothing but Port Adelaide. His vision was so obscured that the whole of the interests of Australia in this question appeared to him to be bound up with the interests of that port. I laid down the condition at the outset that we should protect Australian shipping from outside competition, and dealing with the exemptions of mail steamers trading between South Australia and Western Australia I contend that I can support that exemption consistently with my claim for the protection of Australian shipping from unfair competition.

Senator DAWSON.—I should like to hear the honorable senator do so.

Senator PEARCE.—If Senator Dawson remains in the Chamber he will hear me do so. I should like first of all to point out that the persons primarily interested in the question are the Australian ship-owners.

Senator GUTHRIE.—The Australian seamen.

Senator PEARCE.—I shall show that they dare not say, have not said, and cannot say that the competition of the mail steamers trading between Western Australia and Adelaide constitutes unfair competition.

Senator GUTHRIE.—It does.

Senator PEARCE.—In the *Argus* of 12th December, 1903, I find this correspondence on the subject—

To the Editor of the *Argus*.

Sir,—In the absence of any public statement from the Australasian Steam-ship Owners' Federation as to the true position occupied by the managements of the P. and O. Company and Orient-Pacific line as to the intercolonial trade, and in order that the public may have a proper understanding of that position, we ask you to publish the enclosed correspondence. This we consider goes to show that those responsible for the management of the two mail companies have throughout shown a desire not to interfere with the coastal companies, and to the extent of refusing all cargo for intercolonial ports, and maintaining their passage rates between ports on the coast on a much higher level—in fact, our second class fares are in almost every instance in excess of the coastal companies' charge for first class.—Yours, &c.,

A. G. WESCHE, acting agent P. and O. S.N. Company.

D. ANDERSON, general manager in Australia Orient-Pacific line of steamers. Sydney, December 10.

Here is the correspondence referred to in that letter:—

Sydney, 22nd September.

W. T. Appleton, Esq., Chairman Steam-ship Owners' Federation, Melbourne.

Dear Sir,—Referring to Mr. Anderson's recent conversation with you on the subject of the threatened restrictive legislation regarding the Australian coastal trade, we desire, on behalf of the British mail companies, to put the following to your association:—

These proposals are being much discussed in the press and in Parliament, but we observe no public acknowledgment on the part of your association of the policy which we have hitherto pursued of declining all coastal freight business, and maintaining our passage rates at a much higher level than those of the Australian companies.

Consequently there will naturally be some feeling in the public mind that our companies are concerned in the "cruel competition" made so much of by the maritime trades unions and their political allies. In view of the regard we have always evinced for the interests of Australian companies, this position is entirely unsatisfactory to us. The value of our abstention from your cargo trade, and the sacrifice thereby involved on our part, may be illustrated by the fact that frequently the rates of freight offering on Australian stages of our voyage are double what we can obtain between Sydney and London—from five to ten times the distance. We desire, therefore, to know definitely what your association intends to do in the circumstances. Obviously, if your association is to hunt with the hounds, which are after the proposed legislative quarry, you cannot expect us to permit you at the same time to run with the hare which carries the mail companies' support of your trade.

The occasion seems to us to call for some public declaration from you to the effect that your association does not regard our services as competing with its own, and asks for no legislation imposing restrictions upon them.—We are, &c.,

A. G. WESCHE,

Acting Agent P. and O.S.N. Company.

D. ANDERSON,

General Manager Orient-Pacific Line.

Senator GIVENS. — They bounced them into it.

Senator GUTHRIE.—They absolutely threatened them.

Senator DOBSON.—Those statements cannot be called threats.

Senator PEARCE.—This is the reply of the local steam-ship companies:—

Australasian Steam-ship Owners' Federation,
26th October.

Dear Sirs,—Following my acknowledgment of yours *re* conversation between Mr. Anderson and myself on the proposed legislation for the Australian coastal trade, after consultation with my fellow members, and careful consideration of the whole position, I beg to advise you that it is deemed unwise to make any public pronouncement in respect to the policy hitherto pursued by your companies in refraining from competition for cargo, and maintaining a higher schedule of fares for passengers.

You are no doubt well aware of recent events culminating in the withdrawal of Mr. Kingston from the Federal Ministry, and the ultimate failure of the Government to carry the proposed legislation for conciliation and arbitration, and until the whole question is revived—which may not be for a very long period—we think it advisable to give no occasion for further controversy in the public press.

Senator DOBSON.—A very shabby reply to a generous policy.

Senator PEARCE.—The letter proceeds:—

The facts that on the Australian coast you refrain from carrying cargo, and that you charge higher fares than the local companies, are well known to all, and it should suffice if we advise you that such action is now and always has been appreciated by the companies belonging to the federation. At the same time, we believe this policy has been in the best interests of your mail and passenger services, and has probably been the most profitable one for your companies.

I cannot close without expressing my sincere regret for the tenor of your last sentence but one. That you should have considered it necessary to adapt—for the purpose of expressing yourselves—an old adage, which by inference is in the nature of a threat, seems to us inconsistent with the relations I presumed to exist between us when discussing this subject.

Neither now, nor at any time, would we wish for legislation inimical to British shipping interests, and all we desire is a fair field and no favour.—I am, &c.,

W. T. APPLETON, Chairman.

Senator GUTHRIE.—That is all we ask.

Senator PEARCE.—The representatives of the mail steamers replied on 29th October as follows:—

Sydney, 29th October.

W. T. Appleton, Esq., Chairman Australasian Steam-ship Owners' Federation.

Dear Sir,—We would now acknowledge receipt of your letter of the 26th inst., replying to ours of the 22nd September, and read with considerable regret the decision arrived at by your association. We cannot agree with you that the action of the English mail companies in abstaining from competing for cargo and passengers on the coast is well known to the electors of the Commonwealth. Our opinion is that the reverse is the case, and that this is due to the speeches of politicians who have lost no opportunity of reflecting on the opposition (so called) which the coastal companies have received from the English mail companies. In any case, their statements stand, and we consider that nothing short of a public announcement by the Australasian steam-ship owners, such as was indicated in ours of the 22nd ult., will suffice to give the public a full understanding of the position. As to the time such a statement should be made, it appears to us that no time can be better than the present, being, as we are, within six weeks of the Federal elections. To allow any dubiety to exist as to the position is to leave the electors in ignorance, and to do so would be inimical not only to our interests, but, in our opinion, to those of the community generally.

As to your reference to the last sentence but one in our letter of the 22nd ult., we would say we considered that the public would read into your continued silence an acquiescence in the statements so freely and publicly made, and thereby subject us to a passive opposition to our interests which our policy has not deserved. We have had, and continue to have, an anxiety to work in harmony with your association, but a continuance of good relations must, we contend, be dependent on a mutual regard for our respective interests.—We are, &c.,

A. G. WESCHE,
Acting Agent P. and O. S.N. Company.

D. ANDERSON,
General Manager Orient-Pacific Line.

Senator DOBSON.—There is no justification there for the clauses dealing with the coastal trade.

Senator PEARCE.—To this the Australian steam-ship owners replied:—

Australasian Steam-ship Owners' Federation,
30th October.

Dear Sirs,—I beg to acknowledge receipt of yours of the 29th inst., which will have my attention.—Yours, &c.,

W. T. APPLETON, Chairman.

And these letters concluded the correspondence:—

Sydney, 23rd November.

W. T. Appleton, Esq., Chairman Australasian Steam-ship Owners' Federation.

Dear Sir,—With reference to the letters which have passed between us, viz., those from us dated 22nd September and 29th October, and your replies of 26th October and 30th October, we shall be glad if you will favour us with your final decision as to the matter at issue.—Yours, &c.,

A. G. WESCHE,
Acting Agent P. and O. S.N. Company.

D. ANDERSON,
General Manager Orient-Pacific Line.

The following letter was sent by Mr. Appleton yesterday:—

Dear Sirs,—I regret having been unable to answer yours of 29th October earlier, but in order that your repeated request for a public pronouncement by the Australian owners upon the question of the mail companies' policy in the Australian coastal trade might have full consideration, I have given ample time for the reconsideration of the decision conveyed to you.

I now desire to inform you that we still differ from you as to the necessity for any public representations on our part, and our decision remains unaltered.

As to the statements made by politicians reflecting upon the mail companies, you are in no way singular, as we have quite a plethora of reports of speeches of politicians who have made utterly absurd and inaccurate statements reflecting on the Australian owners, and even in this case we have hitherto refrained from dealing with these irresponsible people, preferring, as far as possible, to treat these statements with the contempt they deserve.—I am, &c.,

W. T. APPLETON.

Australasian Steam-ship Owners' Federation,
11th December.

Senator DOBSON.—Mr. Kingston and the Labour Party were fighting the battles of the local company, and they dare not hoist their flag. That is what I gather from all that.

Senator GUTHRIE.—The honorable and learned senator might gather something more if he looked closely into it.

Senator PEARCE. In confirmation of the statements made in that correspondence, I shall quote the fares charged by the mail steamers as compared with those charged by the coastal steamers. The fares charged by the mail steamers from Sydney to Melbourne are:—First class, £4; second class, £3; third class, £1 10s. By the coasters.—First class, £2; steerage, £1. From Sydney to Adelaide, Mail Steamers.—First class, £7 10s.; second class, £5; third class, £2 5s.; Coasters.—First class, £3 15s.; steerage, £1 15s. From Sydney to Fremantle, Mail Steamers.—First class, £14; second class, £11; third class, £6; Coasters.—First class, £9; steerage, £5. From Melbourne to Adelaide, Mail Steamers.—First class, £4; second class, £3; third class, £1 10s.; Coasters.—£2; steerage, £1. From Melbourne to Fremantle, Mail Steamers.—First class, £12; second class, £9; third class, £5; Coasters.—First class, £7; steerage, £4. From Adelaide to Fremantle, Mail Steamers.—First class, £9; second class, £7; third class, £4; Coasters.—First class, £5 5s.; steerage, £3 10s.

Senator DOBSON.—There is no unfair competition there.

Senator PEARCE.—I would ask where does the unfair competition come in in connexion with those fares, so far as the trade between Western Australia and South Australia is concerned?

Senator GIVENS.—Where does it come in with respect to other places in the Commonwealth?

Senator PEARCE.—As regards the cargo trade there is no competition, because the mail steamers do not take a single ton of cargo.

Senator GUTHRIE.—What does it cost to earn that?

Senator PEARCE.—The mail steamers engage their seamen in England, and I presume pay the English rate of wages, which is lower than the Australian rate.

Senator GUTHRIE.—Some of them are engaged in Calcutta at 16s. 8d. a month.

Senator PEARCE.—Yes, unfortunately. The mail steamers run under another disadvantage as compared with the coasting

steamers. By waiting two or three days at Fremantle, a mail steamer might get two or three hundred passengers, or a hundred tons of cargo. It is the custom of many men go to Melbourne, either to see the Melbourne Cup run, or to spend Christmas with their friends. The departure of the mail steamers is timed, not to suit the running of the Melbourne Cup, but to suit the terms of the mail contract. If a mail steamer could afford to wait for two days in Fremantle, in order to suit the passengers who are coming down from the fields, she could get hundreds of passengers, where she now gets dozens of them. Owing to the fact that the mail steamers are bound down to run to time, they cannot cater for the passenger trade in the same way as coasting steamers can do. They stop the required time at each port until they get to Sydney, where they remain generally for a fortnight, and in some cases for three weeks. While they are refitting they are earning nothing; they are paying wages and spending money in the port all the time. When an Interstate steamer arrives in Sydney from Fremantle she does not remain in port one hour longer than is required to unload and load, with the result that she is earning money all the time. While she does pay the higher rate, her earning capacity is doubled, because she does not put in a fortnight in Sydney.

Senator MULCAHY. — The honorable senator is making out a good case against Part VII.

Senator PEARCE. — I shall show the honorable senator by-and-by, why I think that part should be retained with the exemption. One criterion by which we can judge the earning power of these steamship companies is the relative profits which they make. I make bold to say that the Australian steamship companies have made, and are making, greater profits than the mail steamship companies. I go further, and say that they are making these profits as the result of their participation in the Western Australian trade. Until the Western Australian trade assumed the proportions which it has done, in many cases these steamship companies were not paying dividends, but since the inception of that trade, and almost wholly out of the trade, they have not only paid good dividends, but built new vessels out of profits and added money to their reserve funds.

Senator MILLEN. — No wonder that they want a monopoly of it.

Senator DAWSON. — Why the exemptions?

Senator PEARCE. — I am pointing out that there is no unfair competition. The fact that the companies can make these profits shows that there is no unfair competition. From the Melbourne *Argus* of the 17th March last I shall read an extract to show the profits which have been made—

The accounts of three of the Australasian steamship companies have been made available. The Union S.S. Company balances to the 30th September, and the Melbourne S.S. Company and Howard Smith Company Limited to the end of December. The results for the last twelve months and the chief accounts compare thus—

Union S.S. Co.—Capital, £600,000; debentures, £209,978; fleet and properties, *£914,987; net profits, £64,628.

Howard Smith—Capital, £389,732; debentures, nil; fleet and properties, £314,321; net profits, £31,907.

Melbourne S.S. Co.—Capital, £75,000; debentures, nil; fleet and properties, £168,789; net profits, £7,935.

*Includes £84,000 paid on account of new steamers.

The Union S.S. Company has an insurance fund of £257,741 and a new boiler account of £25,000. The Melbourne S.S. Company has an insurance fund of £44,000; depreciation account, £44,000; new boilers and repairs account, £7,500.

The capital of these three companies is £1,064,732, and the debentures raise the total to £1,274,710. The fleets and properties of the Union S.S. Company and Howard Smith Company stand in the books "less depreciation," and those of the Melbourne S.S. Company at cost, but a depreciation reserve of £44,000 has been accumulated by the last company. The Union Company paid 8 per cent. to shareholders for the last year, the Howard Smith Company 10 per cent. to ordinary and 5 per cent. to preference shareholders, and the Melbourne S.S. Company equal to 12 per cent.

For the year ending May, 1901, the Adelaide Steamship Company earned profits to the amount of £47,041, paid £25,395 in dividends, which was at the rate of 5 per cent., and carried to reserves the enormous sum of £21,682. I would remind honorable senators that during the last few years this company has built three or four new steamers out of profits.

Senator GUTHRIE. — Where are they?

Senator PEARCE. — The *Yongala*, the *Grantala*, and a new vessel whose name, I think, is the *Minilya*. For the year ending May, 1902, the company made £91,329 in profits, paid £50,718 in dividends, which was at the rate of 10 per cent., and carried £40,611 to reserves. For the thirteen months ending June, 1903, the company made £94,978 in profits, paid £50,718 in dividends, and carried £44,260 to reserves.

bringing their total reserves up to £106,553. Another point that I wish to emphasize is that there are two vessels trading to Western Australia—the *Kyarra* and the *Kanowna*—which are equal to any of the mail steamers. They do the trip as quickly, have as much accommodation, and carry almost, if not quite, as many passengers as any of the mail steamers do; but they charge a 25 per cent. lower passenger fare. They carry cargo and live stock. On every trip they are loaded to the hatches with cargo, and have a full passenger list. Where, then, does the unfair competition come in? And why did the company build these steamers? Simply and solely because of the Western Australian trade. I have been informed by one of their officers that but for that trade these steamers would be white elephants. I wish to point out why the position of Western Australia differs from that of other States. In Western Australia we are entirely dependent on shipping for our communication with the eastern States.

Senator MILLEN.—Is not Tasmania?

Senator PEARCE.—Yes; but while the passage from Tasmania to Melbourne takes less than twenty-four hours, the passage from Port Adelaide to Fremantle takes four days.

Senator MULCAHY.—It is only a difference in degree.

Senator PEARCE.—That is sufficient to justify the exemption.

Senator MILLEN.—New South Wales is just as much isolated from Western Australia as Western Australia is from New South Wales.

Senator PEARCE.—In the case of a passenger going from Sydney to Western Australia, if the accommodation on the steamer is not sufficient, or if the fare is exorbitant, he can go by rail as far as Adelaide. If the Bill is passed, with the exemption, he will have the alternative of the railway fare, which compares rather favorably with the first-class saloon fare charged by the boats. But the passenger from Western Australia will have no such alternative. I wish to give some of the reasons why Western Australia claims that this special exemption should be made. The great bulk of our population came over to Western Australia when the mail steamers did not call at Fremantle. The considerate, local steamship companies in those times charged £7 for a single steerage fare from Adelaide to Fremantle. Since the advent of the mail

steamers, which have given to Western Australia an alternative line—although they charge higher fares—the local companies are making 10 per cent. profit on a fare of £2 for a steerage passenger. When honorable senators recollect that fact they will cease to wonder at the strong feeling which exists in Western Australia against going back to the old condition of affairs. In the old days overcrowding was rampant, the food was unfit for human consumption, and passengers had to take whatever was offered to them because there was no alternative. It has been the advent of the mail steamers, and not the administration of the Marine Boards, that has caused the Australian steam-ship companies to put decent boats on the line, and to give us decent accommodation and decent food. I want to give the Senate a comparison to show that the local companies have had the best of the pudding right through, whilst there was the greatest influx of population to Western Australia, and they had the line to themselves. We shall be told later on—“Leave it to the local steam-ship companies, and they will provide the public with good boats.” But during nearly ten years, when the local companies had a monopoly without interference from mail steamers, they never put a new boat on the line.

Senator GUTHRIE.—What about the *Marloo*?

Senator PEARCE.—It is true that they sometimes sent old tubs to England, lengthened them a bit, or put new pieces on to them, attached new names to them, and brought them out as new steamers. I remember an old tub that used to take ten days on the voyage from Adelaide to Fremantle. The passengers boycotted her. They were afraid of her becoming a death-trap. She suddenly disappeared. She certainly was not wrecked, and people wondered what had become of her. But later on one of the companies announced that a new fast ship would be put on to carry passengers at reduced rates. People took tickets by that boat. She took a very long time to reach Adelaide, and while they were on the voyage the passengers had opportunities to make a search, and then they were able to recognise an old acquaintance under a new name.

Senator DAWSON.—Does the honorable senator suggest that if this exemption is not secured the service will go back to the old condition?

Senator PEARCE. — Yes; the mail steamers will cease to call at Fremantle. There are others besides the Western Australians who hold that opinion very strongly,

and have expressed it on the public platform. The only one of the mail steamer companies that pays a dividend is, I believe, the P. and O. Company, which has paid 5 per cent. I understand that the Orient Company has not paid a dividend for ten years.

Senator GIVENS.—If the honorable senator's arguments are valid, they are valid against the whole Bill.

Senator PEARCE.—I intend to show that they are not valid against the Bill as a whole. Now for the comparison. In 1897, prior to the advent of the mail steamers at Fremantle, there were 76,254 passengers in and out of Western Australia. To carry those passengers there were 1,428 vessels, with a total capacity of 2,377,832 tons, or one passenger per 31 tons. In 1898 there were 61,554 passengers in and out, 1,264 vessels with a total capacity of 2,389,626 tons, or one passenger per 38½ tons. Then the mail steamers came on the scene, and the following figures show the comparison. In 1901 there were 53,540 passengers in and out, and 1,785 vessels, with a total capacity of 3,714,263 tons, or one passenger for 60 tons. In 1902 there were 58,861 passengers in and out, and 1,528 vessels, with a capacity of 3,358,074 tons, or one passenger per 57 tons. Those figures show that since the advent of the mail steamers the accommodation has greatly improved, as compared with the condition of things when the local steam-ship companies had a monopoly of the trade. Western Australia, in entering this Federation, had one serious objection to contemplate. It was the objection which left New Zealand out of the Federation. In Western Australia it was thought that that objection could not be overcome. I venture to say that that State would today be outside the Federation had not the people been persuaded that it could be overcome. I was one of those who in season and out of season took the platform in favour of Federation. One of the strongest objections we had to meet was that brought forward by the anti-Billites, that we were isolated from the Commonwealth, and should remain isolated, because the eastern States would not give us that communication with them that those States had with each other. I venture to say that had it not been for statements made by such prominent federalists as Senator Symon—

Senator Sir JOSIAH SYMON.—What statement did

Senator PEARCE.—Statements that led us to believe that as the result of Federation that isolation would be removed.

Senator Sir JOSIAH SYMON.—I never made that statement.

Senator PEARCE.—The statement is in print, and I can supply the honorable and learned senator with it. It was a distinct bid for the Western Australian vote. He said he believed that one of the results of Federation would be that the eastern States would see the necessity of being coupled by rail with Western Australia.

Senator Sir JOSIAH SYMON.—I never said anything of the kind.

Senator PEARCE.—I have a distinct recollection of that statement being made, and I can, after a little search, produce it. It may not be in those exact terms, but the purport of it was that prominent federalists recognised that the bar to Federation existed in our isolation, and that he believed that Federation would remove that bar.

Senator DE LARGIE.—Senator Symon never said the opposite in Kalgoorlie.

Senator Sir JOSIAH SYMON.—I never said anything of that kind.

Senator PEARCE.—The statement has been repeated on the platforms of Western Australia over and over again.

Senator Sir JOSIAH SYMON.—Not any statement of mine.

Senator MCGREGOR.—Senator Symon said what he believed, not what he would do.

Senator PEARCE.—We looked upon him as one who would always be prepared to do what he thought was right. The fact is incontrovertible that the leading politicians of South Australia particularly did give us their word and bond that that isolation would be removed.

Senator DOBSON.—How could they do that?

Senator PEARCE.—We had Sir Frederick Holder's promise and that of Mr. Kingston when they occupied positions in the South Australian Ministry. They pledged themselves that on Western Australia entering into the Federation they would introduce a Bill to give permission to the Commonwealth to construct the necessary railway. We had a similar pledge from other South Australians that they would assist us to remove the isolation.

Senator Sir JOSIAH SYMON.—The Western Australian Government refused to have anything to do with it at that time.

Senator PEARCE.—The point I wish to make is this:—that when members of the Federal League, of which I was one, echoed these statements from prominent South Australian politicians and Ministers, which were published broadcast throughout South Australia, they used them to show that Federation would remove the present isolation. It was because we were able to do that that we succeeded in getting a majority in favour of the Commonwealth Bill. The statements of the South Australian politicians were the biggest factor in inducing Western Australia to enter the Federation.

Senator O'KEEFE.—Surely Western Australia did not recognise the South Australians as representing all Australia?

Senator PEARCE.—No; but we recognised that if the South Australians took that attitude, the good sense of the Tasmanians and others would induce them to support it.

Senator DAWSON.—Does the honorable senator admit that Federation has resulted in an increase of the revenue of Western Australia by £200,000 a year?

Senator PEARCE.—If Senator Dawson were speaking on the other side of the fiscal question he would say that the Government of the Commonwealth was wringing out of the withers of the Western Australian taxpayers £200,000 a year. But the point is that the exclusion of the mail steamers from the traffic between Western Australia and South Australia will not only have the effect of keeping up the isolation that now exists, but of intensifying it, and of getting back to the state of things that existed before we accepted Federation. We have the assurance that if this Bill is passed in its present form, the mail companies will cease to call at intermediate ports, but will drop their mails, passengers, and cargoes at one port, where they will have to be transhipped to other ports of Australia.

Senator DE LARGIE.—What port is that one likely to be?

Senator PEARCE.—It is quite clear that in the minds of the South Australians Port Adelaide will in future be the Mecca of the mail steamers. For instance, Senator Guthrie is reported in the *South Australian Register*, of 6th October, 1903, to have spoken as follows:—

The time was not far distant when mail steamers would have to abandon their coastal trade. The day would come when the goods carried by those boats would be discharged into smaller coasting vessels, and when that day

arrived Port Adelaide, by its geographical position, would become the first port of the Commonwealth.

How do the representatives of New South Wales, who listened to the brilliant attack of the honorable and learned senator last night upon the exemption clauses of this Bill, like that? I trust they will remember the solidarity that always exists amongst the South Australian representatives whenever the interests of their State are affected. I fancy we may assume that underlying all these legal subtleties, and all the rhetoric we heard last night from Senator Symon, are the sentiments which Senator Guthrie so eloquently expressed in Adelaide.

Senator GUTHRIE.—The honorable senator ought to read the context; it is too bad to pick out one or two extracts.

Senator MILLEN.—Does Senator Guthrie deny the statements which have been attributed to him?

Senator GUTHRIE.—I shall deal with the matter by-and-by.

Senator PEARCE.—I have shown that it is not necessary to compel the mail steamers, trading between Western Australia and the Eastern States, to come under this Bill in order to safeguard Australian shipping from unfair competition. I have been asked why it is necessary to bring the mail steamers under the Bill in reference to the rest of Australia; and my reply is, that in the other parts of Australia there is the alternative of railway communication, while the local mercantile marine is far superior to that of Western Australia. Until the shipping companies of Australia got control of the Western Australian trade, they were not making profits, and that proves that there is, in the rest of Australia, some competition which is unfair. I shall point out what that competition is; and if those who direct so much indignation against these clauses would bestow a little more attention in this direction, they would do more in the interests of the Australian seamen. The competition to which I refer is that of the tramp steamers, owned by foreigners in most cases, but in some cases by Britishers—steamers which have small crews at low rates of wages, and which observe scarcely any of the regulations for which the Bill provides.

Senator GUTHRIE.—The same remark might apply to the P. and O. steamers.

Senator PEARCE.—These tramp steamers, unlike the P. and O. boats, carry on a cargo trade from port to port, and very often, in order to get a profitable cargo at

a particular port, will carry cargo to that port as ballast, or practically for nothing. There is no doubt that tramp steamers do exercise a most unfair competition; and that is why the Bill should apply to all the rest of Australia.

Senator GIVENS.—The competition of the steamship companies will not affect the tramp steamers.

Senator PEARCE.—So far as the cargo trade to Western Australia is concerned, let every single ton be carried under those conditions, and so in regard to two-thirds of the passengers. All we ask is that in order that we may not be further isolated from the Commonwealth—until there is an Inter-State railway—the facilities that the one-third are enjoying should be allowed to continue.

Senator GRAY.—Can the honorable senator tell us the tonnage of the tramp steamers carrying on trade in Australia?

Senator PEARCE.—I cannot; but I know that these steamers enter into very serious competition with the Australian cargo trade. It is notorious that these steamers carry coal at unpayable rates, and some of them trade from two to twelve months on the Australian coast. If we could compel the tramp steamers to observe local conditions we should be doing something tangible in the interests of Australian seamen and ship-owners. As to the mail steamers, they have the alternative of ceasing to call at Fremantle, or the other alternative—of which, however, I do not suppose they would avail themselves—of arranging with their crews to evade the provisions of the Bill. The mail steamship companies could, if they liked, arrange to pay their crews the wages provided under the Bill, and to deduct the extra amount from the wages paid during the other part of the voyage, so that the wages for the whole trip would remain as at present.

Senator GUTHRIE.—Such a stipulation could not be put in the articles.

Senator DOBSON.—There is a clause the object of which is to prevent such an arrangement.

Senator PEARCE.—Is there anything to prevent the steam-ship companies paying their sailors a less rate for the remainder of the voyage?

Senator GUTHRIE.—Surely the men could not sign for less than 15s. 4d. per month.

Senator PEARCE.—The seamen, who would receive the same sum as at present for the round trip, would feel that they

were placed at no disadvantage, and there would be a disposition on their part to accept the terms.

Senator GUTHRIE.—Some of the men on the mail steamers receive only £2 5s. for the trip from England and back again. How could the Bill possibly be evaded, even if a company kept back the whole of the wages for the rest of the trip?

Senator Sir JOSIAH SYMON.—The provisions of the Bill could not be evaded, so long as the wages were placed on the articles.

Senator DRAKE.—Clause 302 provides that seamen's rights shall not be affected by agreement.

Senator PEARCE.—That clause provides for the payment of wages before leaving the port; but what may not be done afterwards? As I have said, I do not think the mail steam-ship companies would avail themselves of such an alternative, but there are reasonable grounds for assuming that they might decide to call at one port only in Australia. That port would not be Fremantle, because there is no railway communication from Western Australia to the eastern States; and the port selected would probably be one on the east coast.

Senator Sir JOSIAH SYMON.—The mail steamers must call at Fremantle to discharge outward passengers and cargo.

Senator GUTHRIE.—And mails.

Senator PEARCE.—Representatives of the mail-ship companies have said that if these conditions are laid down certain events may happen.

Senator GUTHRIE.—Oh, they have said all sorts of things!

Senator PEARCE.—The mail steamers call at Fremantle simply in order to get passengers, and if they are not allowed to take passengers why should they call?

Senator PLAYFORD.—Under the agreement with the British Government they must call at some place in Western Australia.

Senator PEARCE.—Has Senator Playford seen the contract? The arrangement as to the calling of the mail steamers at the port was made on Australian representation, and not on the initiative of the British Government. We have no guarantee that under the agreement the steamers can be compelled to call at Fremantle. There is one further thought connected with these exemption clauses which I desire to submit to the Senate. During the last twelve months the question of

the mail services between Australia and the United Kingdom has been very prominently before the people and before this Parliament. We are all aware that there has been some difficulty in arranging satisfactorily for those mail services, and that no suitable tenders were received by the Government. There are those who say that this was due to the fact that the shipping companies object to the provisions with respect to white crews contained in the Post and Telegraph Act.

Senator DOBSON.—The honorable senator does not dispute that?

Senator PEARCE.—I do dispute it. Judging by the correspondence, I believe that the disinclination on the part of the shipping companies to tender was due as much to the regulations providing for refrigerating chambers as to anything else. To comply with those regulations would involve expenditure on expensive machinery, and, in some instances, a structural alteration of the ships, and I have no doubt they operated to prevent tenders being sent in.

Senator GRAY.—That was one of the elements.

Senator PEARCE.—Some of the shipping companies in their correspondence make this their only objection, and make no mention whatever of the necessity for white crews being considered an objection. We are aware that, from whatever cause, the Government have had some difficulty in making suitable arrangements for mail services with the United Kingdom, and in the face of that I ask honorable senators to seriously consider whether they should, in this Bill, give the steam-ship companies an additional reason for discontinuing their services to Australia. I have spoken chiefly on the question of the exemption of Western Australian trade under the Bill, but I am free to admit that there is much to be said on the question, whether it is advisable to include these ocean-going mail steam-ships under this Bill at all. The Senate might seriously inquire whether any good result will follow from the bringing of ocean-going ships within the scope of the Bill. If the honorable senators do not agree that they should not be included, I hope that they will at least insist that Western Australia shall be given the concession proposed.

Senator GUTHRIE.—We cannot, the Constitution will not allow us.

Senator PEARCE.—If it will not, that is an additional reason for the exemption generally of the ocean-going mail steamers from the operation of the Bill.

Senator BEST.—Why not exempt passengers, and leave the cargo?

Senator PEARCE.—That would practically be the exemption of steamers carrying only mails and passengers. Setting aside the question of the general exemption of ocean-going mail steamers, and summarizing the Western Australian position, it is this. If the conditions, as between the States are made equal, we, from Western Australia, will be willing to accept the disabilities, if any, of an equal law, but, until the conditions are made equal, we contend that this law would impose a disability upon us which it would not impose upon the other States.

Senator FRASER.—It is a very fortunate thing for the people of the Commonwealth that the Bill does create this difficulty for the people of Western Australia, otherwise the honorable senator would go for the blessed thing.

Senator PEARCE.—That is a very novel way of looking at it.

Senator FRASER.—It is true.

Senator PEARCE.—Leaving that question, I have to refer to what I regard as a very serious omission from the Bill, and that is the absence of any provision for fire-drill. There is provision made in it for boat-drill, but we know that steam-ships especially run as great a risk of fire as of shipwreck. I have travelled round the coast of Australia by mail steamers, and by locally owned steam-ships, and although I have frequently seen both boat-drill and fire-drill carried out on the mail steamers, I have never yet seen either boat or fire-drill on any of the locally owned steamers by which I have travelled. We should enforce fire-drill as well as boat-drill, so that when the occasion arises the men will be prompt to go to their fire stations, and will know what to do.

Senator GUTHRIE.—The honorable senator overlooks the fact that the coasting steamers are putting out boats at every port, whilst the mail steamers do not do so.

Senator PEARCE.—Senator Guthrie will admit that the rule is to keep one boat for that purpose, the davits of which are always well greased, whilst the other boats are never attended to at all.

Senator GUTHRIE.—That is very rough on the inspectors.

Senator PEARCE.—I hope that the provisions for boat and fire-drill will be made very stringent. Another matter suggested to me by Senator Guthrie has brought before my mind scenes which I have often

witnessed in travelling between Western Australia and the eastern States. I refer to the overcrowding of cattle on cargo steamships. I venture to say that the Society for the Prevention of Cruelty to Animals might well turn its attention to the subject, and inquire into the way in which cattle are crowded on to these boats, so that in rough weather 25 per cent. of them are often lost. This Bill does not deal with that question, but we might insert provisions which would prevent such cruelty.

Senator FRASER.—That would only increase the freight upon store cattle going to Western Australia.

Senator PEARCE.—We might perhaps consent to some little increase in the freight. But I am not certain that what I suggest would not result in a saving in the long run, as there would not be so many cattle lost in making the trip. Although Senator Symon seemed to ridicule the idea of reciprocity with New Zealand on this question, it should not be forgotten that New Zealand is adopting similar legislation to that which is now before the Senate, and reciprocity in this matter would, to a certain extent, extend the mercantile marine of Australia, and bring about in this respect co-operation such as we now have with that Colony in naval matters. We might agree that boats conforming to the New Zealand law should be permitted access to our coastal trade, on the condition that boats conforming to our law should have access to the New Zealand trade. I do not know that that could be provided for in this Bill, but the Government might very well open up communications with the Government of New Zealand to see whether they would be willing to enter into such an agreement. I know that when a Select Committee of the New Zealand Parliament was considering a somewhat similar Bill almost all the witnesses examined by the Committee expressed their willingness to agree to reciprocity with Australia in this matter. Another important question will arise out of this Bill if it is carried into law. We must recognise the fact that by the limitations of the coastal trade here provided for, we shall, to a certain extent, place ourselves in the hands of the local steamship companies, and I am not satisfied that we can in this Bill safeguard the interests of the travelling public and the consuming public, which should receive equal considera-

tion with those of persons engaged in shipping.

Senator GRAY.—Competition will regulate that.

Senator PEARCE.—Means have been found in the past for overcoming competition by the formation of trusts and rings. We have had experience of a shipping ring in Australia before to-day, and we know what it means. When under this Bill we shut out to a certain extent the competition of the world, we should at the same time take due precaution to see that we do not give a power to shipping trusts or rings which will operate to the detriment of the people of Australia. We must recognise that we shall be giving to the shipping people the power to tax the people of Australia.

Senator FRASER.—We cannot prevent it.

Senator PEARCE.—I think we can prevent it.

Senator DOBSON.—Competition is the best means of preventing it.

Senator PEARCE.—We could prevent it by passing an anti-trust law or by legislation which, if necessary, would regulate the fares and freights to be charged.

Senator HIGGS.—Or by establishing our own lines of steam-ships.

Senator PEARCE.—That would be the best preventative of ail. The suggestion is not one to be laughed at, and I remind Senator Fraser that it has already been made by a gentleman at whom he will not laugh. It will be remembered that ex-Senator Reid, speaking to the members of the Melbourne Chamber of Commerce on their experience of the tyranny of a ring in the shipping trade of Australia, and the ocean shipping trade, expressed the opinion that the time was rapidly approaching when the State Government of Victoria would have to take into consideration the possibility of interfering in the shipping industry by building a State fleet.

Senator FINDLEY.—He was a State socialist then.

Senator FRASER.—Under this Bill, they will have far more power than they have now.

Senator PEARCE.—I am pointing out that we shall still have means for dealing with them after we pass this Bill. I should like to ask the Attorney-General, seeing that in this Bill there are provisions dealing with almost every matter relating to shipping, if it is possible for us to make some provision regulating freights and fares, so as to

prevent any monopoly in the shipping trade operating to the detriment of the people of Australia. I thank honorable senators for the patience with which they have listened to me, and I trust that when the Bill leaves the Senate it will be found to be a measure framed in the interests of the Australian people.

Senator MACFARLANE (Tasmania).—As one of the few mercantile members of the Senate, and one who has been for more than forty years engaged in navigation and shipping, I should like to say a few words on the Bill. I was surprised and disappointed that the Attorney-General gave so very few reasons, in moving the second reading, for its introduction. The main provisions of the Bill merely deal with the coastal traffic. Its saving clauses, and all of good that is in the Bill, are to be found in the Merchant Shipping Act. That Act carries us through, and would serve to carry us through for many years to come.

Senator GUTHRIE.—No it does not.

Senator MACFARLANE.—It provides for the well-being of the seamen for which there is so much anxiety to provide now. I was somewhat surprised to hear the Attorney-General refer us to obsolete English laws which the honorable and learned senator held up for our example. He did not, however, tell us the results of them. He quoted the navigation law of Cromwell's time. That law was very far-reaching, and, amongst other provisions, it enacted that all foreign vessels travelling up and down the English Channel should lower their colours to the British flag. When Admiral Blake called upon Van Tromp to obey that navigation law, he was met with a broadside that very nearly blew his ship out of the water. If we legislate in the extreme way in which England did in those days, we shall only bring disaster upon ourselves. Senator Symon, and I am very glad to say Senator Pearce, have shown how unnecessary and impracticable are many of the coasting trade provisions of the Bill. We cannot, as the Tasmanian Parliament found out, lay a stamp duty on the transfer or the mortgage of any British ship in the Commonwealth. The Tasmanian Parliament found out that a provision of that kind would be *ultra vires*. The signing of ship's articles—the enrolling of the crew of a British vessel—is not regulated by any colonial legislation or regulation. We have not been given this power, and if honorable senators

look at covering section 5 of the Constitution, and sections 261 and 264 of the Merchant Shipping Act, they will see how very limited are our powers in many respects. The Government are aware of this fact, and they remind me of an old Scotch divine, who, whenever he came to a difficult text, told his congregation that it was a matter of great difficulty, but that they were to look it boldly in the face and pass on. That is what the Government are doing. They have paid no attention to this difficulty, but simply ignored it. What is this Parliament to gain by ignoring the difficulties, and attempting to carry out what it has not the power to perform? If we take the Merchant Shipping Act as our guide, we shall find that we have the greatest facilities for carrying out our shipping in the best way. Senator Pearce has shown how very advantageous it is to part, and I hold to the whole, of this Commonwealth to have competition. We could not want a stronger argument than he has given to show the great advantage that foreign and British vessels have been to the Commonwealth as against Australian-owned vessels. We know that many of the British vessels which come here have not been paying their expenses in the trade which they carry on with Australia, and that while the P. and O. Company have been able to give a dividend to their shareholders, it has been earned from business done elsewhere. What is going to be the result if we multiply the burdens on these British vessels by increasing their expenses? They will only give us less facilities than we have. Shipping companies, like every one else, do not carry on their business from philanthropic motives. They are asked for good value, and want to be paid for it. We cannot expect that they will bow to laws which do not pay them. If it does not answer their purpose to carry passengers round our coast with these limitations, mail steamers will not do it. If Western Australia is to have a preference in this matter, I hold that Tasmania has a far greater claim to a preference than any other of the States, because we are developing, not only a large tourist traffic but a trade in fruits to Western Australia. The only chance we have of getting our produce taken direct to that State is by foreign-owned vessels. There is not sufficient trade to induce the State-owned ships to go round, unless they are going to foreign parts too. The trade is only a small

one, and is confined to the fruit season. It will be killed if the facilities which are proposed to be given to Western Australia are not extended to Tasmania. I object particularly to the clauses of the Bill which restrict the facilities of shipment by our own producers, and the facilities for travel by our sea-travelling public. That, to my mind, is a great blot on the Bill, in addition to the blot that we are interfering in trying to carry out what the mother country has not given us power to perform. Last year, when the introduction of this Bill was anticipated, the Tasmanian House of Assembly passed a resolution. I shall read the telegram which appeared in the *Argus* :—

A motion moved by Mr. Guesdon was carried in the House of Assembly adversely criticising the rumoured intention of the Federal Ministry to interfere with the present freedom of Inter-State carriage of passengers and freight as likely to detrimentally affect important industries, and promote the formation of combines, and result disastrously to Australian interests. If such legislation should be introduced the Tasmanian Premier is to be requested to bring the emphatic protest of the Tasmanian House of Assembly effectually under the notice of the Federal Ministry and Parliament.

The motion has been forwarded to the Legislative Council for concurrence.

The motion refers to the possible interference with British-owned vessels registered outside the Commonwealth.

The State Government were instructed, if the Bill had been proceeded with, to communicate with the Federal Government on this matter. The resolution holds good now, and I hope that better counsels will prevail, and that a greater portion of the Bill will be withdrawn, or, at all events, so amended in Committee as to remove those blots. Speaking at Perth on the 27th February, Sir John Forrest said—

It had been said by Mr. Kingston that the coastal steamer companies were subject to a cruel competition with the mail steamers. He (Sir John) denied that there was any cruel competition. Last year 48,000 passengers travelled between Western Australia and the eastern States, and of these 36,000 were conveyed in Inter-State and only 12,000 in mail steamers. Furthermore, the mail steamers carried no cargo between Australian ports, while the coastal steamship companies had had the carriage of £3,000,000 worth of cargo from the other States. They had made fortunes out of the Western Australian trade, and, not satisfied with having the great bulk of the trade, they wanted to "cobnoble" the lot. Until Western Australia had been provided with the same means of transit as the other States, nothing should be done to interfere with her communication by sea. He was confident that if British ships were debarred from participating in the Inter-State passenger traffic the added

profits to the coastal steam-ship companies would simply go towards swelling their already healthy balance-sheets. When they saw an alliance between Mr. Kingston, Mr. Guthrie (a South Australian Labour member), and the shipping companies, they might depend upon it that there was something wrong. Shipping companies did not form alliances with Labour parties unless they hoped to get some profit out of them.

Senator GUTHRIE.—It is not true that there is any alliance.

Senator MACFARLANE.—I was not the author of the statement; I am only quoting the opinion of one of the Ministers who are responsible for the introduction of this Bill. I have a number of notes on the different clauses, but perhaps the proper time to deal with them will be when the Bill gets into Committee, if it ever does. I hope that the provisions restricting traffic to Inter-State ships, instead of allowing British vessels as a whole to join in it, will be withdrawn.

Senator KEATING (Tasmania).—I rise for the purpose of replying to some of the criticisms of the Bill which Senator Symon made last evening. He took up the attitude which has been very correctly described, I think, by Senator Pearce. First of all, he railed against the Government for introducing a measure containing what, in his opinion, were provisions that were beyond the powers of this Parliament; and, secondly, he pointed out that if those provisions were not *ultra vires* he was so opposed to the principles contained in them that he would oppose the Bill on that ground. In other words his attitude towards the Bill was one of uncompromising hostility. Whatever may have been the character of its provisions, if we were competent to pass them, he would be, it seems, opposed to them on the ground of policy; and if he had any doubt as to our competency to pass them, he was opposed to the Bill on that ground. He pointed out that it was not within the province of this Parliament to apply to foreign ships the provisions of Part IV., as sub-clause *b* of clause 185 purports to do.

This part of this Act shall apply to—

- (a) All British ships, and
- (b) All foreign ships carrying passengers or cargo shipped in any port in Australia to any port in the British dominions.

The honorable and learned senator suggested that it is not competent for this Parliament by any legislation to impose

upon foreign ships trading to Australian ports, and trading from Australian ports to other ports in the British dominions, conditions and restrictions the like of which we apply to Australian registered ships. On what does he base that contention? He pointed out to us that the foreign merchantman or the British merchantman is, wherever it may be, on the high seas, under the jurisdiction of, and subject to the law of its own country. I think that every one in the Senate agrees with that principle. He also pointed out that when a foreign merchantman or a British merchantman is in a port other than a port in its own country, it is subject to the municipal law of that country. Everybody agrees with that principle. But the enunciation of those two principles does not support Senator Symon in the conclusion he comes to, that it is incompetent for us to apply the provisions contained in portions of Part IV. of the Bill to vessels coming under the designation of clause 185 b:

All foreign ships carrying passengers or cargo shipped in any port in Australia to any port in the British dominions.

As to the power of the Federal Parliament to legislate upon this matter, I may refer to the two sections of the Constitution which deal with it. We first of all have section 51—

The Parliament shall, subject to this Constitution, have power to make laws for the peace, order, and good government of the Commonwealth with respect to:—(1) Trade and commerce with other countries, and among the States.

So that under section 51 sub-section (1) the Commonwealth Parliament is empowered to legislate with respect to trade and commerce, not merely amongst the States themselves, but between the Commonwealth and other countries. As to what is included in the words "trade and commerce," if we turn to section 98 we find that it is provided that—

The power of the Parliament to make laws with respect to trade and commerce extend to navigation and shipping, and to railways the property of any State.

The combined operation of sections 51 and 98 of the Constitution is to give this Parliament power to legislate with respect to navigation and shipping between the Commonwealth and other countries. Our jurisdiction is not limited to legislating with respect to navigation between the States themselves. We have the power to regulate navigation and shipping coming under the designation of trade and commerce,

between the Commonwealth and other countries. Senator Symon, adopting the suggestion which, I think, came from Senator Best, seemed to read into the Constitution a restriction upon our powers in this regard, by a reference to covering section 5 of the Constitution. Using the words of Senator Symon as applied to the Attorney-General in introducing this Bill, I think that honorable senators might have noticed that, when he adopted that suggestion, there was not in his argument his customary eloquence nor in his intonation that fervor and zeal that characterized his criticism in other respects during the course of his speech. On reference to covering section 5 of the Constitution it will be found that it provides that—

This Act, and all laws made by the Parliament of the Commonwealth under the Constitution, shall be binding on the Courts, Judges, and people of every State, and of every part of the Commonwealth, notwithstanding anything in the laws of any State.

Senator MACFARLANE.—Hear, hear.

Senator KEATING.—But my honorable friend who interjects will know, if he reads the history of this section, and the debates that centred round it in the different conventions and in the States Legislatures when the Constitution was in a state of political flux, that, as a matter of fact, that section was only put in for greater certainty—in order that there might be no possible room for doubt as to the laws enacted by the Commonwealth Parliament being operative in every State as the law of the land. The section further goes on to say—

And the laws of the Commonwealth shall be enforced on all British ships, the Queen's ships of war excepted, whose first port of clearance and whose port of destination are in the Commonwealth.

I submit that, to read into that section a meaning which would restrict the powers of this Parliament in legislating, is an utterly wrong interpretation. All that the latter part of that section means—the part of it with regard to the operation of the Constitution and of Commonwealth laws on British ships—is, I submit, to make certain that on British ships whose first port of clearance and whose port of destination are in the Commonwealth, all the ordinary statutes of the Commonwealth apply; and, unless there is a special exemption section, have full force and operation just as if those ships were part and parcel of the territory of any of the States.

Senator WALKER.—What does the honorable and learned senator mean by “destination”? A vessel's last port of call may have been a European port.

Senator KEATING.—I am not concerned with the interpretation of the section in that respect. I am pointing out that it has no restrictive operation whatever on our powers of legislation. It is not designed in any way to restrict the powers of legislation of the Commonwealth Parliament. It is only descriptive of the extent of the operation of our legislation, in the absence of any express provision to the contrary. It would be competent for us, in certain legislation, to say that a particular portion of a Bill should not apply to any ship in Commonwealth ports.

Senator MACFARLANE.—A vessel's port of destination may be Europe.

Senator KEATING.—I am not now concerned with whether the port of destination is in Europe or in the planet Mars.

Senator BEST.—Covering section 5 was expressly altered by the Convention in favour of the present limitation.

Senator KEATING.—What I am pointing out is that it is not designed to be a limitation on the legislative powers of the Commonwealth Parliament. It is simply descriptive of the extent of the operation of Commonwealth legislation in the absence of any expression of intention to the contrary. In other words, if this Bill is passed without a special provision to exempt ships from its operation, the Bill, as a matter of course, will have full force and effect upon those ships whose port of destination and whose first port of clearance are as described in the Constitution. Senator Best says that covering section 5 was expressly altered from the shape in which it stood at first. In 1883, when the several Colonies were represented for the purpose of securing some form of Federal legislative machinery, a Bill was adopted and sent to England to be passed by the Imperial Parliament for the creation of a Federal Council. No reference was then made to the operation of the laws of that Federal Council upon ships. But when the Bill came before the Imperial authorities in England, they inserted a clause somewhat similar to this, making the laws that would be passed by the Federal Council, under the Federal Council Act 1885, have full force and effect upon ships whose first port of clearance “or” whose port of destination was in the Commonwealth. It must be remembered

that in that instance that was done without any suggestion or invitation on the part of Australia whatever. The Imperial draftsmen themselves inserted in that Federal Council Constitution Bill a section of that character—much wider than the present section—making the laws of the Federal Council operative upon ships whose port of clearance “or” whose port of destination was in Australia. That Act was in operation from 1885 until the establishment of the Commonwealth. The extent of the operation of the Federal Council legislation was too wide and vague under such a clause. In the Federal Convention that section was at first adopted as it stood in the Federal Council Act, because the members of the Convention no doubt believed that if the Imperial authorities, without any solicitation on the part of Australia, were willing to give such wide force to the legislation of the Federal Council, they would be equally willing, if not more willing, to concede a similar degree of force to the legislation of the Federal Parliament. However, after further consideration, it was pointed out that the section was really too absurd as it stood. Then it was made to take its present form, because under the more widely expressed terms of the section in the previous Act the Federal Council laws might be considered to be operative on a vessel weeks before she had first sighted Australia, which was manifestly absurd. My contention with regard to this section as it stands is that it was only intended to define the operation of our legislation where we have no express provision to the contrary; and that the power which we have of legislating in the direction of this Bill rests upon the two sections of the Constitution to which I have referred, namely, section 51, sub-section 1 and section 98. Under covering section 5 of the Constitution, if our legislation in any instance creates an offence which is punishable by a Court exercising Federal jurisdiction, any person who committed that offence on a vessel as described in the section would be liable to be proceeded against. The writs of the Commonwealth Court will run in vessels that occupy the position referred to in covering section 5. The general statute law of the Commonwealth, and the common law of the Commonwealth—if there is to be such a thing, a point upon which eminent lawyers have agreed to differ—will also run in vessels that are in the position referred to in covering section 5. I say again that that section is descriptive and

not restrictive, and is not intended by any means whatever to operate as a restriction or limitation on the powers of the Commonwealth Parliament. If the exclusive and exhaustive construction that has been insisted upon by Senator Symon for the purpose of his argument — and which seems to be entertained by Senator Best — be the correct one, we should be in this position: that the laws of the Commonwealth will be binding only on vessels whose first port of clearance and whose port of destination are in the Commonwealth. Then we might find ourselves in this position: We might have in Sydney Harbor or in Hobart a vessel whose first port of clearance was one of the Commonwealth ports, and whose port of destination was beyond the Commonwealth. On a strict construction of covering section 5 the Commonwealth would have no jurisdiction over that vessel, though she was actually lying in one of the ports of the Commonwealth. That is the logical result from the construction that is attempted to be placed upon covering section 5 by Senator Symon—that we have no jurisdiction over vessels unless the two things are combined, namely, that the vessel's first port of clearance and her port of destination are both within the Commonwealth. Again, it is quite conceivable that a vessel may have her first port of destination in the Commonwealth, and her first port of clearance in Great Britain. Would it be contended that we should have no jurisdiction over that vessel when she was lying at Port Melbourne pier? But that is the logical sequence of the exclusive and exhaustive construction that we have been called upon to read into covering section 5 of the Constitution. The position, I take it, is this: When vessels, no matter to what nationality they belong, come into Australian waters, and take Australian trade—whether it be a good thing or a bad thing that they should do so is not a matter with which, for the purposes of this argument, I am now concerned—we have the fullest powers that any self-governing community in the world can have of legislating with respect to them, and with respect to the terms and conditions upon which they shall enter into that trade. If those vessels chose to bring cargo and passengers, and to leave them here, and go abroad in ballast, perhaps our powers are to a very great extent limited; they are much more limited than in the case of vessels taking passengers and cargo from Australia. Senator Symon, in referring to clause 38,

said that we were endeavouring to either do something that we could not do or something that we should not do. He said that, in effect, we were trying to make New Zealand a part of the coast of the Commonwealth. Clause 38 is as follows:—

All ships registered in Australia shall, and all other ships, when carrying passengers or cargo shipped or taken on board in any port in Australia to be carried to and landed or delivered at any other port therein or to New Zealand, shall carry as crew the number and description of persons specified in the scale set out in Schedule 2, or as prescribed.

Senator Symon said that in endeavouring to pass this legislation we are attempting to do something that we cannot consistently do—that we are attempting, so far as the question of policy is concerned, to make New Zealand part of the coast of Australia. I submit that that criticism is most unfair and most unjustifiable. What we are attempting to do in this particular provision is to say to all owners of vessels which come into Australian waters —“If you want to go out of Australian waters carrying in your bottoms our people or the goods of our people to New Zealand, you must fulfil the conditions we lay down; you are not bound to carry our people or their goods, but if you want to do so you must have such a crew as is prescribed in the schedule to our navigation law.” Are we not competent to regulate the conditions and terms on which our own people shall be carried out of Australia—the terms on which foreign shippers shall come and invite the people of Australia to send their goods abroad? To deny that power to this Parliament would be to strip us of almost every shred of autonomy.

Senator GRAY.—Why mention New Zealand and not Fiji?

Senator KEATING.—I am not concerned as to whether the law should be extended to Fiji or elsewhere; I am concerned with Senator Symon's argument that this legislation is beyond our powers.

Senator FRASER.—New Zealand is not in the Commonwealth.

Senator KEATING.—I am concerned with an argument used by Senator Symon, when Senator Fraser was not present, an argument to the effect that we cannot impose on vessels, going out of our own waters, the conditions contained in clause 38, because they are not Australian registered vessels. Senator Symon decried very eloquently against the Government on account of the principle in the Bill,

which he paraphrased as something like an attempt to benefit the foreign shipping at the expense of British shipping.

Senator FRASER.—That is quite true.

Senator KEATING.—Had Senator Fraser heard the honorable and learned senator's argument, he would have been convinced to the contrary. At the same time Senator Symon asked why we should attempt to impose on vessels which come here to take our trade outside, the same conditions as are applied to Australian registered vessels. In other words, Senator Symon would allow Australian registered vessels to be subject to those conditions and restrictions, and allow foreign ships to escape "scot free," on the grounds of their nationality.

Senator PEARCE.—Senator Symon contends that the Constitution makes that position clear.

Senator KEATING.—Senator Symon said, in effect, that when we come to deal with navigation and shipping, we are bound hand and foot to the people of any other country who choose to send vessels to trade here.

Senator BEST.—He never said that.

Senator KEATING.—That is the logical conclusion from the remarks of the honorable and learned senator, who contended that we cannot legislate with regard to foreign ships, because they are part and parcel of the soil of the country to which they belong—that we can only pass legislation to operate so long as they are within our ports. He contended that we cannot impose on such vessels the conditions in clause 38, or the conditions contained in Part IV., under which ships may be re-surveyed in order to insure seaworthiness.

Senator BEST.—Senator Symon did not say that; he expressly exempted that provision.

Senator KEATING. — The honorable and learned senator made a special reference to the question of re-survey, and said that under the Merchant Shipping Act of England no such provision had been made. The honorable and learned senator further said that we had no power to enforce the provision as to boat-drill and deck cargo or load lines.

Senator BEST.—But he said that we could legislate so far as unseaworthiness was concerned, because they are vessels leaving our ports.

Senator KEATING.—If we can legislate to insure seaworthiness in one regard, surely it is quite competent for us to do so

in another regard. I am sure that honorable senators cannot agree with the attitude adopted by the leader of the Opposition. They must recognise that the logical conclusion from that attitude is the admission that, so far as navigation from Australia is concerned, we are bound hand and foot, and placed at the tender mercies of any competing country which chooses to send vessels into our waters. I submit, on the general principles contained in section 51, sub-section 1, and section 98 of the Constitution, that we have the fullest and amplest powers, consistently, of course, with our connexion with the Empire, to legislate, as any other country may legislate, with regard not only to our coastal shipping, but in regard to foreign-going shipping. As to Part IV., although there may be some particular portions of it which do not apply—and perhaps should not apply as a matter of policy—to foreign-owned ships, still I submit that constitutionally this Parliament has the fullest power to make them applicable. With regard to some of the provisions in Part IV., which should not apply to foreign shipping, I refer the Attorney-General to Division 13 of that part, which, amongst other matters, has reference to anchors and chain cables. Under that division, anchors and chains have to be tested before use, and it is made a misdemeanour to sell untested chains and anchors; these and similar provisions being designed to secure that vessels trading from our shores shall have efficient appliances. But, to my mind, the operation of this particular part of the Bill would have the effect that foreign-owned vessels would be compelled, if they complied with the conditions, to purchase only British-made anchors and chains and cables. If the foreign countries from which those ships came made due and proper provision to secure efficiency in this regard, there might be some procedure on the part of the Commonwealth to recognise by reciprocal arrangement the action taken by those foreign countries.

Senator BEST.—Does the honorable and learned senator go so far as to say that if an offence of the kind to which he refers were committed in New Zealand we should have any power whatever to enforce penalties?

Senator KEATING.—Undoubtedly. The whole matter would resolve itself into the question of whether or not the persons committing the offence bring themselves within our territorial jurisdiction.

Senator BEST.—Although the offence may have been committed in New Zealand ; or, it might be, in Germany ?

Senator KEATING.—It is all the same wherever the offence is committed. If Senator Best will refer to the arguments used in the case of *Kingston v. Gadd* he will find that the law of the Commonwealth in this regard may operate even 1,000 miles from the coast of Australia.

Senator BEST.—That is a different matter altogether.

Senator KEATING.—If the legislation is designed to secure proper observance of conditions that will secure the safety of passengers and cargo, the law of the Commonwealth can be made to operate, as regards a specific act, even at that distance.

Senator BEST.—In that case the vessel came into port, having committed a breach of the law.

Senator KEATING.—If vessels come within our jurisdiction again, so that we can, if necessary, apprehend, attach, and bring them before a competent Court of jurisdiction, that Court will be capable of taking cognisance of any breach of those provisions.

Senator BEST.—I could never support that contention.

Senator KEATING.—I am sure that the honorable and learned member, after a careful perusal of the conditions applying to ships at sea, will find that such is the case. The honorable and learned senator probably knows that the Courts in Great Britain have held that they have jurisdiction to deal with offences against the law, even though those offences may be committed in a German river.

Senator BEST.—On English boats ?

Senator KEATING.—Yes.

Senator BEST.—Undoubtedly they have that power.

Senator KEATING.—And there is that power if there is a non-compliance with the statute on shipping while engaged in the Australian trade.

Senator BEST.—That is evading the point.

Senator PEARCE.—In the case of foreign shipping all the provisions of this part of the Bill must be observed before leaving port, and therefore we can enforce them, with the one exception, perhaps, of boat-drill.

Senator KEATING. — The contention was that a foreign merchantman is part and parcel of the country to which it belongs—in fact, that it is, so to speak, a floating

colony of the country, and, therefore, we cannot enforce our municipal law, although the vessel is on the very shores of the Commonwealth. The position I wish to submit with regard to all these regulations and conditions, as applicable to foreign-owned merchantmen, is that it is quite competent for the Federal Parliament to say that no foreign merchantman shall take any trade whatever from Australia. There is hardly an honorable senator who will venture to deny the truth of the proposition that the Commonwealth Parliament could, if it chose, provide that no foreign merchantman, under any circumstances or conditions, should be allowed to take either passengers or cargo from Australia. That is a large power, and surely if we have the large power we have the lesser—the greater includes the less.

Senator FRASER.—But the less may be a different thing.

Senator KEATING.—Does the honorable senator say that the less, which is part and parcel of the whole, may be different ? Surely, if we have the fullest power possible to deny altogether to foreign merchantmen the right to trade out of our ports, we have the lesser power of imposing the conditions and terms under which they may so trade. I rose only for the purpose of dealing with this aspect of the Bill, which is too lengthy for one in a second reading speech to enter with any degree of minuteness upon a discussion, even of its various divisions and parts. I do not purpose to do that, and I have spoken, as I intended, upon the contention raised by honorable senators opposite as to the competency of this Parliament to deal with such a measure. When it comes before the Committee of the Senate, as I hope it will, I intend, in some instances, to take advantage of the opportunity extended to us by the cordial invitation of the Attorney-General, to suggest some alterations for inclusion in some of its provisions.

Senator WALKER (New South Wales). —I have listened with very great pleasure to the views enunciated by the last speaker. When the honorable and learned senator commenced, I began to think that he had at last got the right end of the stick. I have refreshed my memory by looking up the debate on this question, which took place in the Federal Convention held in Sydney, on 9th September, 1897. I refer honorable members to page 252 of the proceedings of that Convention. I propose to quote from the observations of a gentleman

whose opinion will always be considered of value by the Senate. I refer to the Honorable R. E. O'Connor. The amendment of the covering section 5 of the Constitution was proposed by the Legislative Council of New South Wales, and was debated by the Convention, and these are the Honorable R. E. O'Connor's remarks on the subject:—

I think the amendment suggested by the Legislative Council of New South Wales will carry out what appears to be the sense of the Committee (of the Convention), that is, to amend the clause so as to read in this way—"Whose first port of clearance and whose port of destination are in the Commonwealth." That will make it quite clear that it applies only to ships whose whole voyage is within the Commonwealth. And however desirable it may be to extend it to other cases, such as were mentioned by my right honorable friend Mr. Reid, I do not see that it can be done. I think that all we can do is to insure that the laws of the Commonwealth shall be enforced upon all ships whose voyage is wholly within the Commonwealth.

The amendment was carried in the words which now appear in the Constitution.

Senator PEARCE.—But does that section exhaust our constitutional power?

Senator WALKER.—It goes to show that the laws of the Commonwealth should be—in force on all British ships, the Queen's ships of war excepted, whose first port of clearance and whose port of destination are within the Commonwealth.

and whose voyage is within the Commonwealth.

Senator PEARCE.—That refers to the general laws of the Commonwealth, but what about our power with respect to navigation?

Senator WALKER.—I am not a lawyer, but I refreshed my memory on this subject. I am quite willing to accept the Honorable R. E. O'Connor as a good lawyer. I do not think there is a sounder lawyer in the whole of Australia, though there may be a more brilliant lawyer. I listened attentively to the interesting address delivered by the Attorney-General, and to the very able and scathing criticism of the Bill we had from Senator Symon. Curiously enough, though I am as anxious as is the Attorney-General to improve the condition of our seamen, I have drawn conclusions opposite to those drawn by the honorable and learned senator on this matter. I think that the fewer restrictions we place on commerce the better it will be for those who are engaged in it. I hope when we get into committee that many of the clauses of this Bill will be amended in a liberal direction.

When the Attorney-General referred to the coasting trade being under the control of the respective countries in which it is carried on, he instanced Russia. I wonder whether at the present time Russia can be said to control the coastal trade between Port Arthur and Vladivostock. I venture to think that she would be glad to have foreign ships coming into those ports with supplies.

Senator DRAKE.—The conditions there are abnormal at present.

Senator WALKER.—I do not think that we should put restrictions on foreign ships bringing supplies.

Senator GUTHRIE.—It is not proposed to restrict them in bringing supplies.

Senator WALKER.—There is one respect in which the interpretation clause of this Bill is rather objectionable. I find that British ships are to be considered as foreign ships. Here is the reference—

"Foreign-going Ship."—Foreign-going ship includes every ship employed in trading or going between places in Australia, and places (other than British New Guinea) beyond Australia.

Senator GUTHRIE.—That is the definition of a foreign-going ship.

Senator WALKER.—Why should there not be a definition of a British ship?

Senator GUTHRIE.—A British ship leaving Great Britain might be a foreign-going ship.

Senator WALKER.—I think there might be a definition of a British ship. We have been told that the "Minister" referred to in the Bill is to be the Minister for Trade and Customs, and I think that might have been stated in the interpretation clause.

Senator DRAKE.—That is stated in clause 6.

Senator WALKER.—I think that Senator Pearce's arguments in favour of the exemption of ships trading between Western Australia and Adelaide, show conclusively that the people of Western Australia are supplied with the means of coming to the eastern States at a reasonable price; and if we are to fall in with the honorable senator's suggestions on this point, I see no reason why we should be asked to construct the proposed railway to Western Australia. If Senator Pearce is able to carry the provisions which he has supported so strongly, he will succeed in postponing the construction of that railway. I think that the honorable senator should not insist on those special and exclusive provisions, and, if he does, he should not insist on the construction of the Western Australia

railway, because if that railway is constructed, fares to and from Western Australia will go up. The fares by the land line will be higher than those by sea, and in the circumstances the construction of the line may be to the disadvantage of the State which the honorable senator represents.

Senator PEARCE.—Sea-sickness may be considered a debit balance against the steam-ship companies.

Senator WALKER.—As one of the representatives of New South Wales, I object to legislation by which the interests of that State will be materially injured. I come now to deal with what I believe is the crux of the whole matter. I refer to section 99 of the Constitution, which, in my opinion, adds considerable force to Senator Symon's objection to the Bill. That section reads—

The Commonwealth shall not, by any law or regulation of trade, commerce, or revenue, give preference to one State, or any part thereof, over another State, or any part thereof.

In this Bill it is proposed to give a very material preference to Western Australia.

Senator PEARCE.—We will have the railway.

Senator WALKER.—I have no objection to that, especially if it is paid for by land grants. If we were to carry the provisions of this Bill, I suppose that a home steamer could come from Fremantle to Melbourne without entering into local competition, and could then go straight from Melbourne to New Zealand. We know that Mr. Seddon is anxious to have these vessels going to New Zealand.

Senator GUTHRIE.—He imposes the same conditions.

Senator WALKER.—These steamers are to be at liberty to travel from Fremantle to Adelaide without coming under the provisions of this Bill, and why should we not insert Melbourne in the place of Adelaide. Then one of these fine steamers coming from Fremantle to Melbourne would not be considered in the coastal trade, and there would be nothing to prevent her going on from Melbourne to New Zealand, and making some port in New Zealand her final port of call. We should then be legislating, for argument's sake, against New South Wales. I suppose that honorable senators have no wish to do that, but these provisions may have the effect of injuring the great shipping industry of the mother State.

Senator PEARCE.—Can the honorable senator show any necessity for the extension of the principle?

Senator WALKER.—Some other effects might follow. The companies owning these boats might make Fremantle their terminus, and employ smaller coastal vessels to bring passengers and cargo to and from that port.

Senator MCGREGOR.—That would be making another service.

Senator WALKER.—I know that there is a strong feeling in New South Wales that this Bill, if carried as it stands, would be detrimental to the whole shipping industry of Australia. The Australian Ship-owners' Federation is supposed to be in opposition to the owners of the ocean-going mail steamers, and yet, curiously enough, within the last two or three days they passed the following resolution—

1. That the members of the Australasian Steamship Owners' Federation, while recognising that, Federation having been accomplished, a Commonwealth Navigation Act is essential to uniformity, record their extreme dissatisfaction with the Navigation and Shipping Bill introduced into the Senate.

2. They are of opinion that any such Bill should be drafted on thoroughly comprehensive lines, having in view, amongst others, the following objects :—(a) To consolidate the various maritime laws of the States now in force throughout Australia, and to embrace such sections of the Merchant Shipping Act 1894 as are applicable in the Commonwealth. (b) To expressly repeal all State Acts conflicting with the Commonwealth Navigation and Shipping Act. (c) To provide for regulations, to be in the form of schedules attached to the Act (as in the case of the Merchant Shipping Act), instead of being subsequently prescribed by the Minister. (d) To clearly define the position with respect to light dues, tonnage dues, the status of the present Marine Boards and pilot services throughout the States, and to embrace same in the Commonwealth Act. (e) To reasonably insure the safety and welfare of the travelling public by legislative enactment, instead of, as is proposed, leaving the matter to regulation. (f) To effectually prevent ticket scalping. (g) To include clauses which, whilst primarily safeguarding the public interest, will tend to the development of the mercantile marine of Australia.

With regard to different rates of pay, Senator Pearce has said that it would be irregular for those who engage men at home for the round trip to circumvent the regulations proposed to be brought into force. Why should not they be able to say to a man, "During the time you are in Australia you are to draw the Australian rate of wages, and so much for the time spent elsewhere?"

Senator GUTHRIE.—Under the Merchant Shipping Act it would be absolutely illegal to do so.

Senator WALKER.—The honorable senator does not seem to think that that Act is to bind us.

Senator GUTHRIE.—It would bind them in England.

Senator WALKER.—Another suggestion is that if it is desired to effectively differentiate between the classes of ships that object could be achieved after the Commonwealth had taken over the Department of light-houses, light-ships, beacons, and buoys, by charging so much per ton for Australian coasters, so much more per ton for British-owned vessels whilst in Australian waters, and so much more again per ton for foreign-owned vessels whilst in Australian waters. Why the Department has not been transferred to the Commonwealth I do not know. I think that the sooner it is transferred the better. Senator Symon referred very scathingly to the so-called preference shown to Great Britain by those who profess to believe in preferential trade. I also fail to see that any preference is shown in the treatment of British vessels which come to trade in Australia. The tendency of our legislation, I fear, has not been to make us more popular in the world. It has been very restrictive, and I am afraid that it is somewhat conducive to a breach of the good relations which should prevail between the mother country and the Commonwealth. I refer to the Immigration Restriction Act, under which certain British subjects cannot come here; to the Post and Telegraph Act, which prohibits the use of coloured labour on mail-steamers, and to the Customs Tariff Act. This afternoon we heard from an honorable senator a great deal about the advantage of having an iron industry in the Commonwealth. The expense of getting so many things from home places us at a great disadvantage compared with people elsewhere. It is a case of everything for ourselves and nothing for anybody else if it can be avoided. We are becoming very selfish in that respect. Although Australia's aborigines are black, still it is now called a White Australia, and not a few persons seem to think that by that phrase is meant Australia for the whites in Australia, and for as few others as possible.

The PRESIDENT.—I would ask the honorable senator to discuss the Navigation Bill.

Senator WALKER.—The fisher folk on the coast of old Scotland have a very homely proverb which describes a similar state of things, but which, out of regard for ears polite, I refrain from quoting. As it was during the time of the Commonwealth in the mother country that the prestige of the country and its navy rose by leaps and bounds, I hope sincerely that we shall be true to the traditions of our race and to the British name, and that whatever we do in this and all our legislation will ultimately redound to the credit of the Commonwealth of Australia.

Senator MULCAHY (Tasmania).—I find myself in a position which I have frequently occupied in my political career. I am confronted with the duty of dealing with a measure which contains a great deal that is good and at the same time a great deal that is very objectionable to me. The question I ask myself is whether it is wiser to vote against the second reading of the Bill or to try to bring about the good which it attempts to accomplish by voting for the second reading, and seeking to amend its provisions in Committee. Senator Guthrie has given notice of his intention to take what seems to me to be a very wise course, and that is to move that the Bill be referred to a Select Committee, for the purpose of obtaining the benefit of expert evidence and ascertaining how its provisions are likely to affect shipping and those who are concerned in shipping. In so far as it tries to bring about uniformity of legislation, for the control of navigation and shipping throughout these States; in so far as it tries to bring about a better condition of things for those who go down to the sea in ships, to look after their comfort, safety, and general welfare, and to insure fair play towards them; in so far as it tries to protect property in transport and passengers, and to remove risks, I think that it deserves our commendation, and is entitled to the support of all parties in the Chamber. I shall go a little further and say that in so far as it invites the Parliament to do what it was created to do—that is, to legislate for all the States of the Commonwealth, even though it may attempt to do this on principles with which we do not agree—it is deserving of very fair consideration at our hands. But when it comes before us bearing on its face the evidence of provincialism; when it comes before us acknowledging that what it proposes is federally impracticable; when the most

consistent amongst our politicians are taking very conflicting views on this question, and some of them are holding quite consistently, that Federal legislation ought to apply to all the States, and not to a part of the Commonwealth—then the Bill to a very large extent is self-condemned. The question might be asked whether it would not be wiser to get rid of the Bill at once. But I do not think it would be quite fair to the authors of the Bill, or to ourselves if we did not try to fulfil our duty, and to bring about uniform legislation as quickly as possible. For that reason I shall not be found opposing the motion for the second reading, although in Committee I shall have some very serious fault to find with the Bill. I asked the Attorney-General, before he started to explain its provisions, if he would tell the Senate to what extent the Government had attempted to obtain expert advice in dealing with the machinery clauses. We know that the Bill has been very largely adapted from the Merchant Shipping Act, and embodies certain legislation of New South Wales and New Zealand. A great many of the provisions which have been adopted from the Merchant Shipping Act have been modified, and it may be improved, and new features have been introduced into the machinery part which may also be improvements. The Attorney-General would have strengthened his position if he had told the Senate on whose recommendation those amendments were adopted. In Tasmania we have taken a very large interest in this measure. In an island which depends entirely on the shipping for the export of its produce, and which is comparatively small and insignificant at the present time, we have to be very careful to preserve the facilities which we possess, and to see that we are not entirely deprived of them by any legislation of this character, and therefore we have taken some interest in the Bill. I can assure honorable senators that the people of Tasmania are viewing the Bill with a great deal of alarm, which seems to me to be very fully justified. We are increasing our production of fruit at a very rapid rate. Our export of fruit to the home countries has increased in one year by over 50 per cent. We require the best economic conditions for the transport and handling of these bulky exports. We have to face the prospect not only of larger quantities being sent from Tasmania, but also of an increased fruit export from Australia—for no doubt

Western Australia will in time be a fruit producer—to Great Britain, and a probable consequent reduction of prices. We have to secure the best economical conditions that we can get, and must try to retain those that we have. A meeting of the Chamber of Commerce was held in Hobart the other night, and as Senator Guthrie intends to move for the appointment of a Select Committee on the Bill, I propose to bring under the notice of the Senate a few points which a very good maritime lawyer suggested to the meeting for their consideration.

Senator MCGREGOR.—Did he charge anything?

Senator MULCAHY.—I am not quite sure, but I think he was asked professionally to report on the relationship of this Bill to the Merchant Shipping Act, and to refer to the important differences.

Senator DE LARGIE.—Who is he?

Senator MULCAHY.—I am referring to Mr. Lodge, a Hobart lawyer. He suggested that one of the inquiries for the Select Committee should be whether the provisions of the Bill conflicted in any respect with those of the Merchant Shipping Act of Great Britain; also, in what respect its provisions are different from those in that Act in matters within the proper scope of Commonwealth legislation; also, whether it proposes to exercise powers over foreign ships or persons which are not within the powers of the Federal Parliament; and, whether its provisions are not in other respects unconstitutional. We have had a dissertation on the constitutional aspect of the matter, and, as usual, we find the lawyers differing. As I do not pose as a constitutional authority, I do not propose to say anything on that aspect of the question. I shall deal with the Bill from the point of view of a common-sense man, and one representing a State which depends entirely on shipping for its means of disposing of its surplus produce. I am hoping that we shall have the benefit of expert advice on the purely machinery clauses of the Bill. I will consequently refer to those clauses which present themselves to me as particularly affecting the interests of Tasmania. I ask pardon of the Senate for having to deal with the question from that point of view. It may seem to be a provincial standpoint, but I am forced to do so, because the Bill itself is provincial in its character. There is no escaping from that conclusion. If this Bill is to become a legislative enactment, I am

strongly in favour of its applying to the whole of Australia. But I want to make my position perfectly clear at this stage, because, under the forms of the Senate, I may not hereafter be able to accomplish that which I desire. If there are to be exemptions, some of the representatives of Tasmania would like to see that State included within them. If any State is to be exempt we have as good a right as any other to claim that privilege. When, therefore, it is proposed that Western Australia shall be exempt from any provisions of the measure, I shall move that the words "and Tasmania" be added; and then I shall be willing to support a proposal that the whole clause so amended be struck out, so that neither Western Australia nor Tasmania shall be exempt. That is not an inconsistent position. I simply claim that, if we are going to make exemptions, the little State which I have the honour to represent, should participate in them. There is no principle in having exemptions. It is simply a matter of expedience, and Tasmania has just as much right to be exempt as Western Australia. Now, what are the objects of the provisions of Part VII. to which Tasmania objects? Senator Pearce says that the intention is to safeguard the local shipping companies from unfair competition.

Senator GUTHRIE.—No; also to protect the seamen, firemen, and engineers.

Senator MULCAHY.—That protection extends to the local ship-owners, whose iniquities have been denounced by Senator Pearce, so far as concerns their treatment of Western Australia. He told us that the local ship-owners charged £7 for steerage passages from Fremantle to Adelaide, the price of which is now £2. Well, is the Bill likely to have the effect of protecting the local ship-owner or the seamen against the competition of foreign-going vessels which do a little Inter-State trade?

Senator Lt.-Col. NEILD.—Englishmen are foreigners under this Bill.

Senator MULCAHY.—I do not like to see Great Britain treated as a foreign nation. I do not pose as an Imperialist. I come of a race that cannot thank Great Britain for many favours. But we, as Australians, have no reason to complain against Great Britain, and I have no sympathy with Australia attempting to treat the grand old mother country—because she is that with all her faults—as a foreign nation.

Senator GIVENS.—This Bill does not attempt to do so.

Senator MULCAHY.—Not directly, but in a round-about way it does.

Senator GIVENS.—British ships will have the same advantages as our own ships.

Senator MULCAHY.—That is a very plausible way of putting the matter, and I will refer to it in detail directly. Is this Bill likely to bring about the object in view? We are all fond of ideals, and I am sure that the ideals of the Government are good. But those who have had experience know that in introducing legislation it is necessary to look to the practical side of things; and they know also how fallacious it is to attempt to do things which we cannot do. Are we likely to improve the relationship between seamen and their employers by means of this Bill? Are we likely to improve the condition of the sailors on board the mail steamers? Does any honorable senator really believe that the big companies, like the Orient and P. and O. Companies, will, for the sake of the Australian Inter-State trade, bring their vessels, while they are in Australian waters, under the conditions which we lay down in this Bill?

Senator Sir JOSIAH SYMON.—Of course they will not.

Senator MULCAHY.—They will not because they cannot afford to do so. Is it to be supposed that for the sake of a little Inter-State trade they will, directly they enter Australian waters, alter the conditions of employment of their crews?

Senator PLAYFORD. — We do not expect them to do it.

Senator MULCAHY.—Then why are we proposing such a law as this? If the object be to improve the condition of Australian sailors, I point out that, to a large extent, they have done that for themselves by trades unions and other combinations. I have never been a seaman, but for some years in my younger days I was engaged in a ship-building yard, and I know something of the conditions under which sailors were employed thirty-five or thirty-six years ago. I know that their condition is infinitely better now, both with regard to wages and treatment, than it was then.

Senator GUTHRIE.—Not on some of the Tasmanian vessels.

Senator MULCAHY.—I know that the living conditions of the sailor are better than they were. If we cannot accomplish our object by such a Bill, what is the use of it? By passing it shall we not be doing what

was described last night as cutting off one of our features to spite another? Is the object to keep out black labour?

Senator DE LARGIE.—We have another measure for that.

Senator MULCAHY.—I do not think that we have any measure which will accomplish it.

Senator GUTHRIE.—This Bill proposes to pay black labour the same as white.

Senator MULCAHY.—It cannot be brought about by such a Bill.

Senator DOBSON.—It is unjust.

Senator MULCAHY. — Honorable senators when they talk of a White Australia, frequently confuse two things. A White Australia within the confines of the Commonwealth, for the purpose of protecting our own race and institutions, is one thing; but it is absurd for us to attempt to establish a White Australia beyond the sea. It is almost like telling the Almighty that he had no right to make a black man at all, or saying that black men have no right to engage even in menial labour. If we are logical, we shall soon preclude the use of beasts of burden, because they do work which might be done by men. If we, by this legislation, do no good to those people whom I admit it is our duty to benefit—though I think it is almost a certainty that no benefit will result—what other effects will there be? One reason which is frequently given in support of such legislation, though it is a reason with which I do not agree, is that similar laws are in operation in America. It appears to be thought that America and Australia are on one plane, whereas America is a much older country, and has features which Australia does not yet possess. Australia is not yet what America is frequently claimed to be: a self-contained country. Australia, unfortunately, has an enormous public debt, and, in order to meet the interest, has to provide each year exports to the amount of £8,000,000, or £9,000,000 more than is necessary to pay for the imports. That money, of course, does not return.

Senator GIVENS.—That is a very unfortunate position.

Senator MULCAHY.—It is; but the importance of the point lies in the class of goods which we have to send in order to meet the interest on the debt.

Senator Sir JOSIAH SYMON.—Apples.

Senator MULCAHY.—I regret to say that some £330,000 worth of apples or other produce have to be sold before the interest on Tasmania's debt

is paid each year. But what is the character of our other exports? We send away large quantities of goods of high bulk but low value, goods which require the most economical handling. I ask honorable senators, who are so careful in all that appertains to the working man, and properly so, whether they know what happens when lead comes down to something like £10 a ton? When that happens, hundreds of miners at Broken Hill are thrown out of employment. Can any legislation affect that economic law? How many tons of wheat do we send from Australia, and what is the margin? Can we, by legislation, influence the price of wheat in Mark-lane?

Senator MCGREGOR.—That has nothing to do with the question before us.

Senator MULCAHY.—It has a great deal to do with the question. If we harass and hamper the shipping here, shall we obtain the best and most economical transport for our goods? In Tasmania the production of apples has been increased by 50 per cent. in one year, and while we are sending away hundreds of thousands of bushels now, we shall in the future send millions of bushels. Are we to tell the big steam-ship companies that they may carry our apples, but must not bring passengers to our shores—that they shall not carry a passenger to Melbourne, or a case of apples to Western Australia, although the people there may be famishing for fruit? We are asked to tell the great shipping companies that they shall not take any cargo from Tasmania except for ports outside the Commonwealth, unless they comply with conditions with which they will not, and cannot be expected to comply.

Senator Sir JOSIAH SYMON.—Those steamers will not be able to carry a few cases of apples for the miners on the Western Australian gold-fields.

Senator MCGREGOR.—It is a wonder how New Zealand is able to send anything away.

Senator MULCAHY.—Senator McGregor seems to think that because this legislation does not interfere with the oversea trade, we are not altering the conditions under which the oversea steamers come to us. How would Senator McGregor like to be on a Tasmanian wharf on a Saturday morning, desiring to reach Melbourne on the Monday to attend to his senatorial duties, and be debarred from travelling in one of the magnificent mail boats on the point of leaving for this city? I want to impress on honorable senators the importance of not hampering our shipping interests. By all means, let us improve the condition of our

people, so far as legislation can do so, but do not attempt that which legislation cannot accomplish. The Federal Parliament has already had experience that legislation will not accomplish many things that are desired, and evidence in that direction will be more plentiful in the future. This Parliament endeavoured to stop an institution known as "Tattersalls," in Tasmania.

Senator PEARCE.—We did nothing of the kind; we only prevented letters for "Tattersall" going through the post-office.

Senator MULCAHY.—I am surprised at Senator Pearce being so wanting in ingenuousness, because it is well known what the object of that legislation was.

Senator HIGGS.—It was Tasmania which prevented our shutting up "Tattersalls."

Senator MULCAHY.—I do not intend to argue the "Tattersall" case, but wish simply to point out that we cannot accomplish everything by legislation. Attempts to meddle by legislation with some matters sometimes lead to results the very opposite to those intended.

Senator PEARCE.—"Tattersall's" was suppressed in every one of the States.

Senator MULCAHY.—"Tattersall's" was carried on all the time, and is carried on to-day, all legislation having failed in this connexion. Many such regulations as are proposed in this Bill are in existence now, and are not carried out; indeed, to carry them out would require an inspector on every vessel. I shall be very pleased to assist in any endeavour to bring about uniform legislation, but I look on this measure as one calculated to assist the local ship-owners in forming a ring. That is more likely to be the result than that which labour representatives desire.

Senator GUTHRIE.—There can be a clause to prevent the formation of rings.

Senator MULCAHY.—I venture to say that rings of the kind cannot be prevented by legislation. With the desire to get all the information I could on the question, I approached, amongst several other people in Hobart connected with shipping, one man whose identity and position, if I disclosed them, might cause some amusement to honorable senators. I had some little difficulty in getting him to express an opinion, but I was successful at last. I asked him whether if a vessel from the Baltic, as frequently happens, landed a cargo of timber at Hobart, and wished to obtain a return cargo to, say, South Australia, where she

would take on board grain, he would not desire to send by that vessel any cargo he might himself have destined for South Australia—whether he would like to be prevented from sending his goods by her, seeing that otherwise she would have to go in ballast? His reply was—"Yes, undoubtedly; I have a ship of my own." That is the way in which some ship-owners will regard this legislation. They do not like any competition with their little interests.

Senator GUTHRIE.—A foreign vessel would not be prevented from carrying cargo to South Australia under the circumstances, if it complied with the same conditions as an Australian ship would have to comply with.

Senator MULCAHY.—But such a vessel would have to comply with conditions not contemplated in her original charter. It is an economic blunder to send a vessel away in ballast when there is cargo to be carried. Honorable senators speak as if it would be the easiest thing in the world for foreign vessels to comply with the proposed conditions.

Senator DOBSON.—Under the circumstances mentioned such a vessel would in the future charge higher freights.

Senator MULCAHY.—That would be the result. If the vessels of the Orient and P. and O. companies are prevented from trading between States their profits will be reduced, and they will have to charge higher freights. I do not like the exemption of Western Australia or any other State, and, further, I object to the association of the Inter-State railway with this legislation. We are indirectly asked to commit this Parliament, not perhaps to the construction, but to an affirmation of the desirableness of such a means of communication, and to that I totally object. Let us deal with the question of the Inter-State railway when it comes before us, though I hope it will be long before that day arrives. When it is before us we can give it fair play, but I dissent from its finding a place in this measure.

Senator HENDERSON.—And "fair play" would, I suppose, be to delay its consideration as long as possible?

Senator MULCAHY.—I am intimating my present view, but, perhaps, when I hear the honorable senator's eloquent arguments I may possibly be won over. At present I do not like to have the question of the Inter-State railway brought before us by a side-wind; let us deal with both questions fairly and squarely on their merits.

Debate (on motion by Senator CLEMONS) adjourned.

PRIVATE BUSINESS.

Senator Lt.-Col. NEILD (New South Wales).—Before the Vice-President of the Executive Council moves the adjournment of the House, I beg to ask leave to revive a notice of motion which was inadvertently passed over during my temporary absence from the Chamber. The notice of motion deals with the military regulations, and I have the approval of the representatives of the Government in this Chamber for my present application.

Senator PEARCE (Western Australia).—There is the adjourned debate on a motion submitted by myself, and I should like to know whether Senator Neild's notice of motion would take precedence over it. I object to my motion being given second place.

The PRESIDENT.—I call attention to standing order 105—

No notice of motion shall be given after the Senate shall have proceeded to the business of the day as set down on the Notice Paper, unless by leave of the Senate.

If Senator Neild obtains the leave of the Senate—and it must be leave given without a dissentient voice—he can give this notice of motion, and it will take precedence of an order of the day.

Senator PLAYFORD.—It will not take precedence of the motion proposed by Senator Pearce, which is on the paper.

The PRESIDENT.—The debate on that motion has been adjourned, and its resumption made an order of the day.

Senator Sir JOSIAH SYMON.—To what standing order do you refer, Mr. President?

The PRESIDENT.—To standing order 105, under which Senator Neild has power to give notice of motion, by leave of the Senate. In answer to the question put to me by Senator Pearce, I called the honorable senator's attention to the fact that we have passed a sessional order providing that on alternate Thursdays notices of motion are to have precedence, and on the other Thursdays orders of the day. Under that sessional order on Thursday in next week notices of motion will have precedence, and the orders of the day must be considered after the notices of motion have been dealt with.

Senator PEARCE.—Did not notices of motion take precedence to-day?

The PRESIDENT.—No, orders of the day.

Senator PEARCE.—Then I repeat my objection.

The PRESIDENT.—If the honorable senator objects the notice of motion cannot be given.

Senator Lt.-Col. NEILD (New South Wales).—May I be permitted to suggest to Senator Pearce that this is really only a matter of personal convenience to myself, because if I am prevented from giving this notice of motion to-day, I shall give it at the next sitting of the Senate, and it will then take precedence of the order of the day, in which the honorable senator is interested.

The PRESIDENT.—The question is: That Senator Neild have leave to give the notice of motion which he has read. There being no dissentient voice, leave is granted.

Notice of motion given accordingly.

SPECIAL ADJOURNMENT.

Motion (by Senator PLAYFORD) proposed—

That the Senate at its rising adjourn until Wednesday next.

Senator Sir JOSIAH SYMON (South Australia).—Why can we not sit to-morrow? We have come from all parts of Australia to attend to our duties in the Senate, and Senator Playford should give some reason why we should not meet to-morrow. Are we to have an enforced holiday? There is important business for us to do, and if we cannot go on with it, it says very little for the arrangement of Government business.

Senator PLAYFORD (South Australia—Vice-President of the Executive Council).—There is no business on the paper for to-morrow. I will give the honorable and learned senator the reason why I did not ask honorable senators to meet to-morrow. A function, to which half the members of the Senate have been invited, has been fixed for to-morrow. The majority of honorable senators have intimated to me that they would rather not meet to-morrow, and I have given way to their wishes, although, personally, I should very much like to have gone on with the business.

Question resolved in the affirmative.

Senate adjourned at 9.50 p.m.

House of Representatives.

Thursday, 14 April, 1904.

Mr. SPEAKER took the chair at 2.30 p.m., and read prayers.

PRINTING COMMITTEE.

Report (No. 3) presented by Sir JOHN QUICK, read by the Clerk, and agreed to.

PETITION.

Mr. R. EDWARDS presented a petition from the Brisbane Chamber of Manufactures, praying the House not to pass certain clauses of the Conciliation and Arbitration Bill.

Petition received.

SESSIONAL COMMITTEES.

Motions (by Mr. DEAKIN) agreed to—

That the number of members appointed to serve on the Standing Orders Committee be increased to nine, and that Mr. Dugald Thomson, member for North Sydney, be a member of such Committee.

That the number of members appointed to serve on the Library Committee be increased to eight, and that Mr. G. B. Edwards, member for South Sydney, be a member of such Committee.

That Mr. Mauger, member for Melbourne Ports, be a member of the House Committee.

SUB-LETTING MAIL CONTRACTS.

Mr. POYNTON.—About ten months ago I brought under the notice of the Government a case in which a mail contract, for the performance of which £160 a year was being paid by the Commonwealth to a Mr. Vines, of Ballarat, had been sub-let for £70 to a man named Levison. The facts as I gave them were admitted, and it was stated on the floor of the House that the contract would be forfeited, because of the breach of the postal regulations. I have since learned that the contract has not been forfeited, and I should therefore like the Prime Minister to inform the House of the causes why the proposed action has not been taken.

Mr. DEAKIN.—The honorable member was good enough to inform me last evening that he proposed to ask this question, and I have, therefore, communicated with the post-office officials upon the subject. I was surprised, as he must have been, to learn that the matter had not been finally dealt with. The information supplied to me is that the Department had satisfied itself of certain facts in the case, and had proceeded to take some action, when it

was met by a legal difficulty, which was referred to the Commonwealth Solicitor for advice. That advice has been given, and action upon it will probably be taken upon the return of the Postmaster-General.

PREFERENTIAL RAILWAY RATES.

Mr. DUGALD THOMSON.—Is the Minister for Home Affairs aware that a Conference of railway experts, to be followed by a Conference of Railway Commissioners, is at present sitting in Sydney? If so, will he take steps to bring under the notice of the members of those Conferences, and ask their consideration of, the question of the abolition of the preferential railway rates which exist in some of the States, decisions in regard to which will constitute a large portion of the work of the Interstate Commission, if it is brought into existence?

Sir JOHN FORREST.—I am aware that these Conferences have either met or are about to meet in Sydney. On the 4th August, 1902, the Prime Minister of the day communicated with the Premiers of the States on the subject of preferential railway rates, without any definite result, and on 23rd March last a further communication was addressed to them by this Government, asking for information as to the instances in which preferential or differential rates are imposed; but with the exception of an acknowledgment, and in some cases of a promise to have the matter looked into, nothing has come of our action. I see no objection to the Premiers of the States being again addressed upon the subject, and requested to consider whether it is not advisable for them to bring the matter under the notice of the members of these Conferences. I shall have very much pleasure in moving the Prime Minister in that direction.

Mr. DUGALD THOMSON.—At once?

Sir JOHN FORREST.—At once.

TRANSCONTINENTAL RAILWAY.

Mr. CARPENTER.—When will the Minister for Home Affairs introduce the promised Bill to provide for the survey of the proposed transcontinental railway?

Sir JOHN FORREST.—Very shortly, I hope.

PAYMENT OF ELECTORAL OFFICERS.

Mr. PAGE.—I desire to ask the Minister for Home Affairs, without notice, if he can inform the House when additional returning

officers and assistant returning officers employed at the late elections in December last will be paid for their services. It is four months now since the elections took place, and, whilst none of them have been paid, many are out of pocket for expenses.

Sir JOHN FORREST.—In what district?

Mr. PAGE.—I refer to the whole of them. In Queensland, if the right honorable gentleman pleases. That is a big enough district.

Sir JOHN FORREST.—So far as I am aware, with one or two exceptions, in which there are disputed accounts, they have all been paid already.

Mr. POYNTON.—Following up the same subject, I desire to ask the Minister for Home Affairs whether any arrangements have been made to pay an adequate amount for the services rendered by assistant returning officers. I understand that they received only £3 3s., and there are some cases in which that remuneration was glaringly insufficient for the services rendered.

Sir JOHN FORREST.—In South Australia?

Mr. POYNTON.—I speak of South Australia. I would ask the right honorable gentleman whether arrangements are to be made to pay them an adequate sum for the services they have rendered?

Sir JOHN FORREST.—So far as my memory goes, the matter has been settled, and the officers paid a sum which was considered satisfactory by the Chief Electoral Officer, and which I have no reason to doubt was accepted as such by the assistant returning officers.

Mr. PAGE.—I have grave reason to doubt it.

Mr. POYNTON.—Was the amount £3 3s.?

Sir JOHN FORREST.—No; more; I think it was £10 10s.

NEWSPAPER POSTAGE.

Mr. KELLY (for Mr. WILLIS) asked the Postmaster-General, *upon notice*—

1. Whether it is a fact that Australian and British authorities discourage the interchange of newspapers through the medium of special postal rates?

2. Whether it is a fact that Australian newspapers re-posted in England or British newspapers posted in Australia are charged a special rate?

3. Whether these rates are the outcome of an understanding between the Australian and British Postal Departments?

4. Whether the Government are aware that the British Postmaster-General has agreed to deliver in the United Kingdom without surcharge,

newspapers posted in New Zealand at a postage rate of one penny (as against a surcharge of 2½d. upon Australian newspapers), irrespective of weight?

5. Will the Postmaster-General make a proposal to the British authorities by which Australian newspapers may be delivered in the United Kingdom at the reduced rate and upon similar conditions to those extended to the Government of New Zealand?

Mr. DEAKIN.—In reply to the honorable member's questions, I have to state—

1. It is not a fact. The interchange of newspapers between Australia and Great Britain is governed by the provisions of the Postal Union Convention.

2. Publications which are known and recognised and known in Australia and Great Britain respectively as newspapers within their territory are precluded by the postal laws and regulations of both countries from such recognition when posted outside that territory.

3. Answered by replies to questions 1 and 2.

4. The Postmaster-General is aware that newspapers posted in New Zealand are now delivered in Great Britain without surcharge, if paid at the New Zealand rate of one penny each. He is not in possession of any knowledge of a surcharge on Australian newspapers that have been fully prepaid at the Postal Union rate.

5. The matter is receiving consideration. The circumstances in this respect in Australia and New Zealand are very different; in the latter a considerable revenue is derived from the inland postage on newspapers of one half-penny each, irrespective of weight, instead of a bulk weight of a penny for twenty ounces on the aggregate weight posted as obtains in Australia, and the distances from the coast are small as compared with those over which newspapers are carried in Australia.

FEDERAL PATENT OFFICE.

Mr. POYNTON asked the Minister for Trade and Customs, *upon notice*—

Whether vacancies in the Federal Patent Office will be filled from the different States' staffs, or do the Government intend to make the selections from other sources than the States' Patent Offices?

Sir WILLIAM LYNE.—In reply to the honorable member's question, I desire to state that the principal appointments will be made from the States' Patent offices, so far as suitable officers are available. If necessary, selections will be made from the Commonwealth Service, or from the Public Services of the States.

RUSSO-JAPANESE WAR.

Mr. KELLY asked the Minister of Defence, *upon notice*—

Whether there is any objection to laying on the table of the House a copy of the papers in connexion with the choice, and despatch to the East, of an officer to study, on behalf of the Commonwealth, the progress of the Russo-Japanese War?

Mr. CHAPMAN.—In reply to the honorable member, I desire to say that it is not considered advisable to lay these papers on the table of the House at present.

PAPER.

Sir GEORGE TURNER laid upon the table the following paper:—

Transfers of amounts approved by the Governor-General in Council (dated 13th April) under the Audit Act.

COMMONWEALTH LIFE AND ACCIDENT ASSURANCE DEPARTMENT.

Mr. HUME COOK (Bourke). — I move—

That, in the opinion of this House, there should be established a Commonwealth Life and Accident Assurance Department, under the control, management, and guarantee of the Federal Government.

When, some months ago, I submitted a motion somewhat similar to this, its consideration was rather complicated by the fact that it had to be taken in connexion with the consideration of the Public Service Bill, and there, consequently, was not a clean-cut issue before honorable members. On this occasion, the matter referred to in the motion can be dealt with on its merits, and it is on its merits alone that I ask for its determination. I may take somewhat longer than I desire in addressing myself to the question, for the reason, perhaps, that I have been somewhat overburdened with material supplied to me by the kindness of some honorable members who are interested in the subject, and of some persons outside who have been good enough to assist me. At the outset, I wish to express my obligation to Mr. Thodey, the editor of the *Insurance and Banking Record*, for his kindness in lending me certain books of reference, and his assistance in directing my attention to others which have proved valuable. On this occasion, the issue raised is clean cut, and the motion covers the whole ground. It is not a proposal to start an establishment to include State servants only, but one which can be extended to include all other classes in the community. What I propose is the creation of a State Department of Mutual Assurance, and the beginning of what, in my judgment, ought to prove an Industrial Life Assurance Department conducted and managed by the Commonwealth. I lay some emphasis upon the word industrial, because

I hope to prove that that class of business requires to be catered for more fully and on some better basis, so far as the assured are concerned, than is at present the case. It will no doubt be urged, and perhaps properly urged, that the other class of business, though important, is satisfactorily provided for by the ordinary assurance offices, and that there is no great need to start a State establishment to come into competition with them for that business. I do not propose to devote myself very much to that aspect of the question, though, of course, I do propose to include ordinary assurance business in the work of such a State Department as I have in my mind's eye. I am especially desirous and particularly anxious, that the class of business which shall be done by the State Department, if inaugurated, shall be that which will meet the requirements of the great middle and poorer classes of the community, who cannot, under existing conditions, enter into life insurance upon a basis satisfactory to themselves, either from the point of view of the stability of the offices or from their own financial position. The idea of State life assurance is not by any means new. In putting forward proposals of this kind, we are sometimes met with the objection that the legislation sought has not been tried, that it is a vast experiment, a huge undertaking, or something of that kind, and other sentences are very often uttered containing a number of awful adjectives calculated to frighten the timid and unthinking.

Mr. FOWLER.—This is also State socialism, which is a bad term in Victoria at the present time.

Mr. HUME COOK.—I shall leave the honorable member to answer the question put to him the other day as to what State socialism is. I am not to be frightened by big words, nor by strange phrases, and I shall strive to do the right thing, so far as I know it.

Mr. WILKS.—And the wise thing.

Mr. HUME COOK.—And the wise thing, which is always the right thing. I point out, however, that so far as State life assurance is concerned, this is not altogether a new proposition. We have examples before us of the British Annuity System, about which something was said on a former occasion, and into the merits of which I need not enter at this juncture. In South Australia, I understand that there are two systems in

operation; one which has relation to the Superannuation Fund of the Education Department, and another having special relation to the railway servants of that State and their life assurance business. Not very long ago a proposal was put forward in Victoria for the establishment of a Life Assurance Fund in connexion with its Education Department. Whether that proposal has yet reached fruition I am not at present in a position to say, but it is certain that the State authorities have given the matter consideration, and I believe that a scheme has actually been proposed. In Germany, where we have the most striking example of industrial life assurance, the system is perhaps more complete than anywhere else.

Mr. O'MALLEY.—That is socialism.

Mr. HUME COOK.—There, I understand, the system is largely, if not wholly, compulsory. So far as we can gather from the official reports on the subject, it has given a great deal of satisfaction, and is not likely to be discontinued. In New Zealand there is a State Life Assurance Department, which, according to the best authority, has also proved satisfactory. Regarding this system we know something more than of other cases, and it is largely upon the New Zealand model that I propose that the Commonwealth Life and Accident Assurance Department should be established. That model is a safe one to follow. It has been proved sound, safe, and certain, is exceedingly popular, and is transacting a large amount of business which, so far as the general public are concerned, is likely to be extended.

Mr. DUGALD THOMSON.—Has the honorable member any figures to give us in support of his statement?

Mr. HUME COOK.—I shall supply those later on. Finally, upon this head, we have an example in the action of our own Federal Government. A few months ago the Treasurer determined that the fidelity guarantee business, in connexion with the public servants of the Commonwealth, should be conducted through his Department, and under his control. That was a beginning in the right direction, which, I am sure, will have the full approval of this House, and I desire now to see an extension of that principle to life assurance generally. The trend of legislation to-day is in the direction of interfering, from the State point of view, more and more with the business of life assurance. There is scarcely

any country in the world to-day in which life assurance business is not governed to a large extent by statute law, and the more advanced the character and extent of its business, the greater are the restrictions applied. In America and Germany, in particular, where the volume of business is really enormous, life assurance is carried on under restrictions of a far more rigid character than many honorable members probably suppose. In the United States, notwithstanding the restrictive character of the legislation in force there, three great companies have assured some 9,000,000 persons for something like £750,000,000. These figures are obtained from the *Insurance and Banking Record* of last year, and were contained in an article entitled "The leviathans of the United States." When we consider the enormous life assurance business transacted in a country like the United States, we begin to see the necessity of doing something to conserve the public interests. *Coghlan* asserts that the total sum for which the lives of residents of the Commonwealth are assured is something like £125,000,000, and it is satisfactory to note that of this amount £112,000,000 is assured with local offices. However, I propose at this stage to speak more particularly of the trend of legislation rather than of the amount of the assurances. The figures merely point to the necessity for legislation, more especially in view of the great public interests involved. I have mentioned that in almost every country statute law governs the business of life assurance; but in Germany and America, where legislation has been passed recently, the restrictions placed on the assuring companies are surprising. In 1891 the German Parliament dealt with this question, and to a very large extent, consolidated the law. The legislation then passed secured for the German offices a very much larger share of the business than they formerly enjoyed. The object aimed at was twofold, and in both respects success appears to have attended the efforts of the legislature. First of all, it was intended to place life assurance under stricter control so far as the State was concerned, and to give better guarantees to the public, and, secondly, an attempt was made to secure for the German offices a monopoly of the business, it being insisted that investments should be made in German securities. I propose to quote from the *Economic Journal* of December, 1902, which makes

specific reference to the Act to which I have alluded. The first feature of the measure, to which I desire to direct attention is that which constitutes what is called an "Imperial authority" for the supervising and conduct of life assurance business. This consists of a board of nine persons, five of whom are directly appointed by the Crown, while four others are assistant members. These persons supervise all private assurances in Germany, and they are charged with powers which, in a British community, would be looked upon as savouring of tyranny, although they do not appear to have been cavilled at in Germany. Their first business is to interest themselves in the articles of association of any company which proposes to carry on life assurance business. Next they have to examine its financial position and to make the strictest inquiry as to what it proposes to do, and the methods upon which it proposes to conduct its business. At page 567 of the *Economic Journal* it is stated:—

Any company applying for permission to carry on insurance business must submit its scheme of operations to the Supervising Board. The scheme of operations must include the company's articles of association, the general insurance conditions, and the technical rules on which the business is conducted, in so far as the class of business to be transacted renders such rules necessary. In the case of a life insurance company, particulars must be given on the following points: Table of premiums, mode of calculating premiums, and proportion to be retained for the insurance fund (premium reserve), rate of interest forming basis of calculation, and principles as to "loading." The tables of probabilities as to duration of life, and the danger of illness and incapacity must be appended to the scheme of operations, as well as the mathematical formulas used for the calculation of premiums, which must be illustrated by examples with figures.

That is a very large order, and includes a very strict and searching inquiry into the plan of operations to be followed. The article goes on to say:—

In order to counteract an obvious method of evasion, it is provided that any subsequent alteration of the scheme of operations must be submitted for the approval of the Board, and cannot be carried out until such sanction has been obtained.

So that they do not provide merely for a preliminary investigation. They take care that there shall be no underhand work on the part of the company, but that the scheme of operations, the tables of premiums, and all other matters shall receive sanction before anything is done, and that any proposed alteration must be subject to

Mr. Hume Cook.

sanction. It will thus be seen that life assurance business in Germany is merely permissive, and that it is under very strict supervision. In order that honorable members may understand how close the supervision is it is necessary to quote further:—

An insurance company having satisfied the Board of the correct nature of its constitution, the soundness of its scheme of operations, and the healthy state of its financial condition, is allowed to start business; but it continues to be controlled as to the conduct of its affairs. It is the duty of the Supervising Board to watch the conduct of the business of all insurance companies subject to its jurisdiction, and more particularly to see that the provisions of the law and the rules laid down by the scheme of operations are properly carried out, and it may at any time examine the accounts and balance-sheets, send representatives for the purpose of taking part in board meetings, or general meetings, cause meetings to be convened, or, in case of default, convene and announce them at the cost of the company whom they concern.

I do not know that anything so forward as that has ever been attempted in any other country. As the quotation shows, the Imperial authority in Germany has power under the statute law to send representatives to any meeting of a company, whether it be a meeting of the board or a general meeting; and if it is not satisfied with the conduct of such meeting, it may convene one upon its own account at the expense of the company. In short, it can do anything it pleases in order to safeguard the interests of those who assure. I may add that so strict is the law that if a company fails to obey the directions given by the Imperial authorities it may be subjected to penalties which go so far as suspension—the actual prohibition of its operations—unless it will agree to what is suggested by this board. As I indicated in my earlier remarks, the investments made by these companies must be in approved German securities, in order that their solvency and stability may be guaranteed. With respect to the non-German companies, it is now almost impossible for them to carry on operations. That, however, does not concern us much in this connexion. What does concern us is that in the Act of 1901 it was thought necessary and advisable, in an autocratic country like Germany, to take steps which practically guarantee to the policy-holders everything that the companies undertake to give them for the premiums which they pay. In effect the German system is only just one step short of an Imperial assurance company. When we look at that system in the light of experience, it will probably be

found to be equal, if not superior, to such an assurance company. It is equal in the sense that the guarantee which is provided by the Government, in the form of a supervising board, is as good as if the business were conducted by the State itself, and it is possibly superior to a State institution in that the Government compels the companies to do all the work, thereby avoiding the expense that would be involved, at the same time guaranteeing to the public a safe and solvent institution. Of course that method of business might not suit the Australian or the English public. If the business is to be guaranteed we would prefer that it should be carried on by the State authorities. That is the method which I desire to see adopted. I think it would be infinitely preferable to establish our own assurance company, carry it on under our own management, and do the business in our own way, rather than intrust it to others. This sort of legislation clearly points the way to the initiation of a State Department of Assurance, and when we consider the general restrictions which are imposed upon life assurance companies the world over, there does not seem to be very much left in the argument that we ought not to embark upon this business, simply because no other Government has done so. I hold that life assurance is in some measure a principle of political economy, and also a matter of very grave State concern. If we study the figures relating to the expenditure in Australia upon benevolent asylums, hospitals, and institutions of a kindred character, we shall be astonished to find that the sum aggregates millions sterling. If there were a larger system of life assurance, and by consequence a greater amount of thrift in connexion with the large industrial public of Australia, in my judgment the present heavy demands for charity would not be made upon the general public, nor upon the States themselves as such. I find, from *Coghlan*, that the amount voted by the several Governments of Australia for benevolent and destitute purposes, represents £306,000 annually. If we add to that the sums voted for the conduct of hospitals, the expenditure totals £1,347,000. Though, perhaps, it would not be quite fair to add the pension list to that sum, still, it is interesting to know that if we did so, the amount expended in this direction would aggregate nearly £2,250,000. If we can avoid even an

appreciable portion of that expenditure by establishing a system of State life assurance, we shall be doing a very good work. In any case we are face to face with the problem that men and women are not able, owing to existing industrial conditions to make sufficient provision for their old age; and unless we can devise for them a cheap, sound, and safe method of life assurance, we are naturally bound to institute to a greater extent than would otherwise be necessary a system of pensions. It is absurd to think that the old men and women of Australia can be allowed to go down to the grave in destitution and want. We ought to adopt every reasonable safeguard against that state of things. One of the best steps along the lines of self-help, it seems to me, is to give to the general public, whose rate of pay will not permit of their saving sufficient money to provide for their old age, an opportunity to invest a portion of their earnings in such a way as will safeguard those who are left behind. But this cannot very well be done at present, for, notwithstanding the large number of life assurance offices in Australia, and, in many cases, their economic soundness, if the general public were consulted it would probably be found that they are somewhat suspicious of them, even where they are not absolutely shy.

MR. DUGALD THOMSON.—Some of those institutions are conducted upon the mutual principle.

MR. MAHON.—That does not make them any better.

MR. HUME COOK. — If we examine the figures relating to these institutions, we shall find that some of them are not as sound as they appear to be. Indeed, in some cases the suspicions entertained by the public are quite justified. It has always been my object to discourage proprietary companies, and to encourage mutual companies. But in any case I prefer, speaking as a public man, that a Life Assurance Department should be established by the State, which would be beyond all suspicion, which would attract business from the class of persons who cannot now deal with large life assurance institutions, and which might also obtain some of the business which at present falls to companies that are not worthy of receiving it — companies whose methods and management warrant the suspicion to which I have already referred. I repeat that in my opinion we should follow

the lines adopted by the New Zealand Department. The history of that institution is very interesting, and perhaps I may be permitted very briefly to recite it for the information of honorable members. It was founded in 1870 as an ordinary life assurance office. Since then it has added accident assurance to its business, just as I propose that that branch of business should be worked in conjunction with the office which I have in contemplation. I understand that the New Zealand Government intend to still further enlarge the functions of the Department by establishing a State system of fire assurance. It was not until 1893 that the civil servants of New Zealand were brought under the operation of the statute dealing with this particular Department. Previously they had the right to assure with any office they chose. Consequently the State Life Assurance Department of New Zealand had to begin operations without a business nucleus of any kind whatever. It had to forge its way against the competition of strong companies such as the A.M.P. Society and the National Mutual Society, not to mention British and other companies. It has also had to work during the whole period of its existence under the disability imposed by the restriction of its operations to New Zealand. Further than that, its investments are limited, in a very wise way, I think, to municipal and national securities. Consequently it has not the same opportunities to attract business as have other companies whose operations are not so restricted. But, despite these disadvantages, and notwithstanding that it had to commence operations in competition with very strong companies, it began with a scale of premiums somewhat lower than those fixed by ordinary companies. The natural corollary to that was that it offered slightly lower returns than those of other companies. Its aim, however, was to establish a kind of industrial assurance department, and that is what I desire the Commonwealth to do. I have said that it fixed its rate of premiums below that of outside companies, and the reduction made by it in that direction has been more than justified. The profits were naturally lower, because the premiums were lower, and also because in New Zealand direct taxation, which is the only kind of taxation that can, and does, hit life assurance companies very hard, is in greater

evidence than in any other part of Australasia. The New Zealand department laboured under that special disability, but, nevertheless, the figures relating to its progress form very interesting reading. At the outset it was unable to draw upon the civil servants to form the nucleus of its policy holders. It had to compete, as I have mentioned, with powerful companies, and for twenty-two years it faced a struggle which is perhaps unprecedented in the history of any Life Assurance Department. At the end of that period it was ninth on the list of Australian life assurance offices. That was in 1892, but in 1902—after the lapse of another ten years—it had advanced to the position of second on the list. The Public Service had been brought in, and the public had begun to realize the advantages which the Department offered, with the result that it was second only to the very strong A.M.P. Society. This, I think, speaks volumes for the wonderful success achieved by the Department, as the result of the adoption of a consistent and reliable policy. The figures relating to the business transacted by life assurance offices in New Zealand up to the year 1901 are of considerable interest. I find, from a reference to *Coghlan*, supported by the *Insurance and Banking Record*, and other financial newspapers, that the progress of the New Zealand Department has been along the line of industrial assurance. It has developed in the number of its policy holders rather than in the amount assured. The total number of policies issued in New Zealand up to 1901 was 94,429, representing a sum of £23,567,427. The A.M.P. Society had issued 28,196 policies, while the New Zealand Life Assurance Department had issued no less than 41,291. In other words, nearly half of the total number of policies taken out in New Zealand up to 1901 were issued by the New Zealand Life Assurance Department. Then I find that the 28,196 policies issued by the A.M.P. Society represented a sum assured of £7,709,232, whilst the 41,291 policies issued by the New Zealand Life Assurance Department represented only £2,000,000 in excess of that amount. These sets of figures support my statement that the New Zealand Life Assurance Department is inducing a greater number of persons to assure—because of the more attractive scale of premiums which it offers and also because of its solvency—and that the volume of its business, from the standpoint of pounds, shillings and pence, does

not show the same ratio of increase as that of the A.M.P. Society. It is satisfactory to note, however, that judged from the number of persons assured, the volume of its business is greater than that of any other life assurance office in Australasia. The same statement applies to the business transacted in New Zealand during 1903. When Sir Edmund Barton was Prime Minister he was good enough to forward me an extract from the *Mutual Provident Messenger*, which was rather a laudation of the society's own business. The quotation, which is dated 1st June, 1903, reads as follows:—

New Zealand Branch.—As disclosed by the society's annual report, its business in New Zealand continues to show very satisfactory progress. This is the more gratifying when it is remembered that in that colony the competition of the Government Life Insurance Department has to be faced. The returns of that department just published for the past year enable us to furnish the following comparative results as regards the net increase of business in New Zealand:—Net Increase: A.M.P. Society, year 1902 (N.Z. branch), policies, 1,248; sums assured, £306,008; annual premiums, £10,504 1s. 4d.; N.Z. Government Life Insurance Department, policies, 1,115; sums assured, £154,470; annual premiums, £6,856 os. 10d.

The average policy taken out in the A.M.P. office was equal to a sum of £227, while the average policy issued by the New Zealand Life Assurance Department was for £137—a difference of £90. It will thus be seen that the statements which I have made with respect to the business of the Department for 1901 are also true of the business transacted by it in 1902. The poorer sections of the middle classes are availing themselves of the system of Government life assurance, and the number of the policyholders in the Government office is continually increasing. That is the best test of the business. To put the matter briefly, the ordinary societies are the rich men's companies, while the Government Department is the poor man's office, and it is for the poorer classes that I am urging legislation in this direction. I may add that I believe New Zealand is per unit the most heavily assured country in the world. The volume of industrial business is growing in all parts of the world, and it is for that class of business that we have more particularly to cater. In America this branch of life assurance represents thousands of millions of pounds; in Germany it is also very extensive; whilst in Australia the industrial life assurance business represents a sum assured of something like £7,000,000 with pre-

miums amounting to about £300,000 per annum. The average policy taken out in this branch of life assurance, however, is only £21 while the average premium is but £1 per annum. There is a great gap between the class of persons doing business with industrial life assurance offices in Australia, and those doing business with the mutual and proprietary companies. Those who take out policies in the industrial offices belong, as will be seen from the average amount of the policies, to the very poorest sections of the community, while those doing business in the ordinary life assurance offices belong to what may be termed, for the purposes of this argument, the middle classes. The middle classes and those of the working classes generally offer a great field of enterprise to a department such as would be established if my proposal were carried out. There must be hundreds of thousands of persons in Australia who, although not assured, desire to make that provision, but cannot because of the high premiums charged take advantage of the mutual and proprietary companies as they are at present conducted. They do not desire to avail themselves of the industrial offices as they at present exist, because they do not care for their business methods,—because they are suspicious of them or have some other objection to doing business with them.

Mr. DUGALD THOMSON.—The honorable member says that the rates charged by the New Zealand Life Assurance Department are the same as those charged by ordinary companies?

Mr. HUME COOK.—No; they are lower.

Mr. DUGALD THOMSON.—They are lower, but the Government Department offers less advantages.

Mr. HUME COOK.—The premiums are certainly lower in the Government office, and the advantages in the shape of profits must necessarily be lower. But what persons of the class to which I refer require is not so much a large profit in the way of bonuses as the certainty that by availing themselves of the system they will make safe provision for their old age, or for those they leave behind.

Mr. O'MALLEY.—The profits depend on the cost of the business.

Mr. HUME COOK.—Quite so. But if the premiums charged by one office are lower than those of other offices, its interest earnings must likewise be lower. This is a proposition which does not need

to be demonstrated. What the public want is an assurance which is cheap, because they cannot afford to pay high premiums; and which is sound, because they are not so deeply interested in obtaining large profits as in making certain that, if anything happens to them, their widows or children, or other persons for whose benefit they are assured, will receive the money due to them. They ask that the business of the companies or offices with which they assure shall be conducted upon sound lines, so that failure would be impossible. Cheapness, soundness, and certainty in connexion with the life assurance business are, it seems to me, the three essentials which are desirable in the interests of our great industrial population. I believe that at the present time none of the insurance offices or companies offer those advantages, and hence there is an urgent need for a Commonwealth Life Assurance Office.

Mr. DUGALD THOMSON.—Can the honorable member give us a comparison of the rates of the New Zealand Government office with those of the mutual offices?

Mr. HUME COOK.—I have not such a comparison to hand, but the information can be obtained.

Mr. McCOLL.—There is very little difference between them.

Mr. O'MALLEY.—From 5 to 15 per cent.

Mr. McCOLL.—Not so much.

Mr. HUME COOK.—There is a difference, the New Zealand Government rates being lower than those of the other mutual offices.

Mr. O'MALLEY.—The rates depend upon the age of the assured.

Sir GEORGE TURNER.—And upon his health.

Mr. HUME COOK.—They must depend in every country upon the age and health of the assured. The highest rate of interest earned by any mutual office doing business in Australia during 1901 was 4½ per cent., and the lowest 3.9 per cent., but notwithstanding the limitations placed upon its investments—the Department being confined practically to municipal and Government securities—the New Zealand Government Life Assurance Department yet earned something more than the minimum I have quoted. A rate of from 3 per cent. to 3½ per cent. might well satisfy any reasonable person, because profits are neither the be-all nor the end-all of life assurance business. What the assured desires above all is the certainty that his policy will be paid when it falls

due or when death occurs. Those who assure have not that certainty to-day in connexion with proprietary assurance offices, and a great many are prevented from assuring in the mutual offices because of their methods of business and their high premiums. How is the soundness of assurance companies measured? We know, in spite of their protestations to the contrary, that in a great many cases the mutual companies are not as sound as they should be. Their soundness is measured by the soundness of their mortgages, and a drought or financial collapse upsets them to an extent which can hardly be calculated by the ordinary layman.

Mr. DUGALD THOMSON.—It would upset a Government Department too.

Mr. HUME COOK.—Yes; but a Government can always put its business right by methods which are not open to ordinary life assurance offices. I hold that in the interests of the State itself the Government should, if the necessity arose, resort to those methods to secure the stability of its Assurance Department. The valuation of the assets of assurance companies is upon a basis which no layman can discover, and is of quite their own making. Moreover, there is no certificate as to their reserves, so that we do not know how their money is invested, and there is no law governing the investment of it. In short, there is in Australia a very large field for legislative interference with life assurance companies, even if we do not deem it wise or necessary to start a Government Assurance Department. The public should be given guarantees in regard to the investment of reserves, and certificates of proper investment should be required from competent and fearless examiners. At present we have no knowledge as to what the securities of the companies are, or of the checks upon their investments. Their expenses, too, are at the mercy of the boards of directors or of the management. We know nothing satisfactory with regard to the inner working of these offices. Their business is practically at the mercy of boards of management whose members may be competent or incompetent, honest or dishonest, earnest or indifferent.

Mr. DUGALD THOMSON.—Might not the same thing be said of Government management? Would not a Government Department be at the mercy of its managers?

Mr. HUME COOK.—Yes; but Government managers would have no interest in obtaining large dividends, as the directors of proprietary companies have, nor would

they be always trying to increase their fees, or to provide bonuses, or to help along various persons with whom they had business connexions, which is what sometimes happens in the case of mutual companies.

Mr. DUGALD THOMSON.—Does the honorable member suggest that the officers of a Government Department would be treated worse than the officers of private companies are treated?

Mr. HUME COOK.—No. What I say is that Government managers would not resort to favoritism in order to give business firms little pickings, nor would they indulge in other practices to which private companies are prone. As an instance of what may be done by an industrial company—and I am indebted to the honorable member for Brisbane for the following facts and figures—I might inform honorable members that one of them some time ago bought a property for £13,000. It expended £500 upon it, and those “in the know” were then surprised to find it appraised among the assets in the balance-sheet at £25,000. Next year the value was written up to £31,000. But, attention having been directed to the matter in the public press, the management, shame-facedly, I suppose, reduced the valuation to £25,000. All this was done in order to enable the proprietors to obtain and pay a 10 per cent. dividend. The particular company to which I allude is included in the list of offices in which the Government permit its servants to insure. But those who do insure with it will probably wake up some morning to find their investments lost for ever, owing to the insolvency of the company.

Mr. WILKINSON.—The company to which the honorable member refers has £10,000 deposited with the Queensland Government.

Mr. HUME COOK.—Its liabilities are, I believe, something like £40,000, and, speaking from memory, I think it will be found that, even including the asset I have spoken of at the valuation to which it was written up, the company could not pay more than ninepence in the £ if called upon to pay up what they owe.

Mr. McCOLL.—It must be a mushroom company.

Mr. HUME COOK.—Of course it is only a mushroom company, brought into existence to put fat dividends into the pockets of a number of proprietors at the expense of the public. It is doing that work in most successful fashion, and I say that the Federal Government has been badly

advised in consenting to name that company in the scheduled list of companies in which public servants may assure. Another company carrying on an industrial business in Australia, and a company which is also named in the Government list, works another pretty little fake. It sets against the industrial branch nearly the whole of its management expenses, and as a result the ordinary business branch does not suffer. In other words, it makes the people who pay one penny and two pence, for the assurance of the lives of children mostly, bear all the brunt of the larger business of the ordinary branch.

Mr. R. EDWARDS.—In what State is that company doing business?

Mr. HUME COOK.—In all the States. The company is well known, and I need not name it, though if it were necessary I could name it. I have here a quotation on this subject from the *Insurance and Banking Record* for March, 1901, which was followed up in other places. There is here some analysis given which shows what this well-informed paper thinks of the matter—

It is preposterous to suppose that the ordinary branch business costs (apart from commission) only a little over 4 per cent. to conduct, the percentage including, moreover, medical examination. A careful examination of the items as stated in the accounts must raise doubt. For instance, of the £2,400 paid in directors' fees (itself a very high sum), only £200 is debited to the ordinary branch, while the industrial policy holders have to pay £2,200. Then the ordinary branch gets off with a charge of only £352 for rents, rates, and taxes, but the industrial branch pays £4,101. Government taxes amount to £114 in the ordinary branch, and £1,210 in the industrial branch. And so on. It is much to be feared that the allocation is inequitable to the industrial branch, and we would strongly urge the directors to review this question with the assistance of competent outside advice.

Sir GEORGE TURNER.—Does the honorable member know the proportion of assurances in the different branches? They may take that as the basis.

Mr. HUME COOK.—They do not; that is the trouble. The total income of the ordinary branch is £145,301, and of the industrial branch £176,406. The expenses of management debited to the ordinary branch, though there is a difference between the income derived from the two branches of only some £21,000, is £6,030, whilst no less than £42,400 is debited to the other branch, the ratio of expense of management to the total income being for the ordinary branch 4 15, and

for the industrial branch 24·03 per cent. Of course it is not my desire to do any injury to any particular company, and I have not named either of the companies to which I have referred.

Mr. MAUGER.—Is that fair to the other companies?

Mr. HUME COOK.—I prefer to let the companies interested prove their own case. What I am endeavouring to prove is that, under existing conditions, these companies are offering to do industrial business—and it is with industrial business that I am chiefly concerned in submitting this motion—and are doing it in a way which is unfair and improper in some instances to the general public who assure with them. In order to safeguard the general public, to do the right thing by them, and, further, to encourage that self-help and thrift which every man in his heart approves, we ought to give an opportunity to the public in this respect, which can be given only by such an establishment as I have indicated.

An HONORABLE MEMBER.—Does the honorable member propose industrial business for a State Department?

Mr. HUME COOK.—What I say is that whilst we cannot begin exactly an industrial business on the lines upon which it is conducted by private companies, we can, in the circumstances which I propose to narrate, begin a life assurance business which will largely tend in that direction. We know that the premium rates which would require to be charged by a State Assurance Department would be so much lower than those at present being charged by private companies, that it would attract the class of business which is now being done by private companies, and a class of business which is not provided for in any way at the present time. As we should avoid a very great proportion of the expense of management, and should not require to keep up expensive buildings, such as must be provided by private companies, it is beyond doubt that we could afford to quote lower premium rates whilst we gave as good an investment, and offered as reliable a security as can be offered by any private company. I may be asked why I wish to start a State Life Assurance Department. If it is admitted that industrial business is not in all cases carried on upon a sound basis, I shall be told that I cannot deny the fact that most of the mutual life companies doing business

are sound. I have already attempted to answer that by endeavouring to show that a large proportion of business can be done which is not being obtained by any company at the present time, because of the excessive premium rates, and the other difficulties to which I have alluded. It will be admitted that our present industrial system is not sound, in some instances, at any rate. The investment is too expensive by far, whilst the benefits are very small indeed; and lastly, and most important, there is no certainty that the assured will get the sums for which they assure. With respect to mutual companies, the expense of management is much too great to enable them to reduce their premiums sufficiently to attract all the business which could be attracted by a life assurance office conducted by the Government. In short, they cannot offer the inducements to the public which could be offered by a State Department of Assurance, and in any case the suspicions of the poorer classes of the people are so strong and their fears so great, that there is little likelihood of any considerable increase in the assurance in private offices. In these circumstances it seems to me to be the imperative duty of the State to step into the breach and create a State Department of Assurance. I have therefore moved the motion standing in my name, and I trust it will be carried. We do not desire to indulge in any more charity or benevolence in Australia than is absolutely necessary, and we do wish to encourage, so far as possible, self-help and an independent spirit amongst our people. If we offer to them inducements along such lines as I have indicated, I think it will be found that the response will be very much greater than many persons imagine, and as a result, the necessity which exists, and which, to a certain extent, will always exist, for the payment of old-age pensions will not be so pressing. In any case, I do not think we are justified, nor is Parliament right, in guaranteeing particular companies for the assurance of civil servants, unless we get some fee from them. I have already mentioned a couple of instances in which I am satisfied that if assurances do take place, they will be regretted by those who take out policies with the companies to which I have referred. It seems to me that the Government, in going so far as to schedule a list of companies with which the public servants may do business, practically give

a guarantee to the assured which they should be prepared to meet. We have 1,500 or 1,600 civil servants, whom we compel to assure their lives in certain offices. The compulsion to assure in these offices seems to me to carry with it a guarantee that if the companies fail the Commonwealth will itself pay the assured amount. Is it not better, therefore, for us, having the public servants as a nucleus, to start on our own account, with an advantage which even the New Zealand Department did not enjoy at the beginning? Every other life assurance business has had to start from scratch without any nucleus. I am informed that the A.M.P. Society had been in existence ten years before the number of policy-holders reached 1,500 or 1,600. We should begin with that number, and we should not then be under the necessity of giving a guarantee in regard to outside companies. In brief, my proposal is to begin with the public servants and to offer attractions to those outside who do not now assure to any great extent with the mutual offices. Whilst we might not perhaps be able to offer the same inducements in the way of bonuses or awards as do the mutual companies, we could give a guarantee that should in itself be sufficient to attract a large amount of business and enable us to conduct a successful institution. We should not be under the necessity of paying any high commissions, and the collection of premiums could be carried out very easily, because every pay-office throughout the Commonwealth might be made a receiving office. We should not have to maintain any large offices, because the public buildings could be utilized for that purpose. We should not have any drag upon us in the shape of a building fund and all the contingencies which that would involve, and our staff, if it required to be increased, would be augmented only to a very slight extent. There would be no losses arising from depreciation of mortgaged properties, and we should not have to maintain a foreclosed properties department.

Mr. DUGALD THOMSON.—Would there not be any bad municipal loans?

Mr. HUME COOK.—I do not think so. That has not been the experience of New Zealand. If need be, we could restrict the investments to Government, or at least to States, securities. I contend that we require something that will be cheap, sound, and certain, something which will attract

people to save their money in order to provide against a rainy day, and which will guarantee to them the payment of the sums for which their lives are assured. Of course, I recognise that this is a far-reaching proposal, and that it marks an advance upon anything yet attempted in Australia, although not ahead of what has been successfully achieved in New Zealand. Believing that the principle is sound, and that the end to be served is a desirable one, it seemed to me to be a part of my duty to place my ideas before honorable members, and to endeavour to secure for them the favorable consideration which I trust they warrant.

Mr. MAHON (Coolgardie).—I have great pleasure in seconding the motion. I think it would be futile to attempt to add to the information afforded by the excellent and exhaustive speech of the honorable member for Bourke. I desire to compliment him upon the thoroughness with which he has examined the subject, and elaborated it to the House. He ought to have satisfied the majority of honorable members—at any rate, the majority of those who are not interested in assurance companies—as to the soundness of his scheme. The proposal is one that the Government should take in hand as soon as possible, and I agree that no more important matter has been brought before the House for some time. The honorable member has demonstrated the necessity of the State establishing a department of this kind. He has instanced the success of the State Assurance Office in New Zealand, and the critics of his proposal are invited to go to New Zealand, and, if they can, find any flaws in the Department that has been administered there for some years. I have never heard of any complaint, and I think that the figures adduced by the honorable member tend to show that the Department is increasing in popularity among the poorer classes and others for whom it is our business to see that some provision is made. The parallel which the honorable member draws from Germany is one which—if we are not prepared to follow him to the full length of his proposal—we might take as an example. We might with great advantage adopt the German scheme to a still further extent, because in that country an admirable system of old-age pensions is provided. I should like to see the honorable member's proposal so expanded that the proposed department

should also take over the management of any funds that may be subscribed by employers and employés to provide for those who have passed the working age. I understand that in Germany the employé pays one-third, the employer another third, and the State contributes the balance to a fund for the maintenance of workers who have passed their prime. A system such as the honorable member proposes would pave the way for an old-age pension scheme of that kind, which, after all, would be the soundest that could be established. It is all very well to say that we should establish old age pensions by taxing the general public, but we have seen the outcry raised in Victoria because the money required for the payment of these pensions is taken from the pockets of the taxpayers. The unfortunate people who have been depending on the pensions have been squeezed down to the very lowest amount upon which it would be possible for a man to subsist, whilst in some instances pensioners have, upon some ridiculous pretext, been absolutely deprived of their miserable pittance. I think that if we desire to establish a stable old-age pensions fund we should adopt something in the nature of the German system. Such a fund would be invulnerable. It could never be attacked by any class in the community, because it could not be said that the people deriving the benefit were not direct contributors to the fund. The honorable member for Bourke has also demonstrated that his scheme would offer greater security than is afforded by any private company to persons assuring. Naturally that must be so, because the credit of a State is sounder than is the credit of any number of private individuals, of which these mutual and proprietary companies are really composed. I do not wish to say one word which would raise a suspicion concerning the assurance companies, whether mutual or proprietary, which are doing business in Australia. In their own way they are performing good work. But when they are held up to be so absolutely perfect as to deprive those who advocate State interference of all warrant for such advocacy, we have a right to ask what would be the position of these institutions if a crisis similar to that experienced by the banks in 1893 confronted them? They have never faced such a position as the Australian banks did in that year, and until they do, those who talk so loudly about their soundness had better be very careful in their choice of language.

Mr. Mahon.

Mr. DUGALD THOMSON.—They never can face such a crisis, because their liabilities do not become due at the same time.

Mr. MAHON.—It is very fortunate for some of them that their liabilities do not fall due upon a single day. Seeing that these institutions lend money on mortgage, and that the value of their securities fluctuates from time to time, does any one suppose that they are so absolutely sound that they can offer a security resembling that afforded by the State? The honorable member for Bourke has dilated upon the fact that insufficient supervision is exercised over these companies. We do not know what they are doing; we do not know whether their securities represent anything like the value which they place upon them. We are unaware how often their directors advance large sums of money upon flimsy security to their own particular friends. I suppose something of that kind has been done, even in the model State of Victoria. I know that it has been done in some of the other States, where the directors of assurance companies, like those of banks and other financial institutions, have their particular favorites, whose securities are not scrutinized with the same degree of keenness to which those of an outsider are subjected. I repeat that these institutions have never been tested by conditions similar to those which prevailed during the great banking crisis of 1893, and it is a very fortunate fact for some of them. I have no desire to include all the assurance companies doing business in Australia in any sweeping condemnation; but I believe that Government supervision is required in some cases. The honorable member for Bourke has also pointed out that the heavy expenditure incurred by these institutions renders it necessary for them to charge high premiums to the persons whom they assure. A State Life Assurance Department would be able to save a large portion of that expenditure. For example, it would not need to send canvassers all over the country, with medical officers following in their train. Its advantages would soon become known to the public, who would embrace them eagerly without being canvassed. Thus a State Department would save an enormous sum, which is now spent by private assurance companies upon representatives and medical officers. The industrial companies are the greatest sinners in extravagance. In some cases I have heard that it costs them 18s. to collect £1. There is

another aspect in connexion with them, of which this Government and Governments elsewhere ought to have long ago taken cognizance. I refer to their practice of paying assurances upon the death of mere infants. That is a wrong principle to adopt, and no Government ought to allow an assurance company to pay over moneys upon the death of children. On the contrary, it would be far better—especially for the Government—to pay a premium to every person who rears a healthy child up to fifteen years of age. Without casting any reflection upon the public in this connexion, I hold that it is a very dangerous principle to allow assurance companies to assure the lives of children so that their parents may benefit by their death. The practice, however, is sufficiently prevalent to call for notice. When the Government are legislating upon the matter I trust that this aspect of it will receive attention. I believe that the funds of a Government Life Assurance Department could be invested very nearly as well as can the funds of private companies. No doubt it would be very injudicious for a State Department to lend money on mortgage in the ordinary way; but it is not altogether a new practice, because even in Victoria the State advances money upon freehold property at $4\frac{1}{2}$ per cent.

Sir GEORGE TURNER.—That is an independent tribunal.

Mr. MAHON.—I presume that the Department which we propose to establish would also be an independent tribunal.

Sir GEORGE TURNER.—No; it would be a Government Department.

Mr. MAHON.—Does not the Government of Victoria guarantee the other institution?

Sir GEORGE TURNER.—It does not interfere with its management in any shape or form.

Mr. MAHON.—Does not the Government of Victoria guarantee every depositor in the institution to which I refer?

Sir GEORGE TURNER.—Of course it guarantees the Savings Bank; but that is not a Government Department in any shape or form.

Mr. MAHON.—Does not the Savings Bank advance the funds of its depositors upon mortgage, and is it not guaranteed by the Government of Victoria?

Sir GEORGE TURNER.—As a matter of fact, the Savings Bank does not advance the funds.

Mr. MAHON.—Well, the Commissioners of the Savings Bank do so. The Government are responsible to the depositors of that institution, whose money is advanced to freeholders at $4\frac{1}{2}$ per cent. There is nothing to prevent a State Department from doing precisely the same thing. At any rate, if it objected to do that, it could go upon the open market, and purchase Government bonds which would absolutely return it 4 per cent. It could buy some bonds which would return a still greater interest, and it could even purchase the bonds of the Metropolitan Board of Works, which would yield £4 9s. per cent. That would be a very good return. The money thus received from premiums might, with advantage, be devoted, as it accumulates, to the redemption of the Government debt of Australia. At any rate, it would earn sufficient to enable a reasonable allowance to be paid to every one who had decided to depend upon an honest assurance office. The Department would have the civil servants to form the nucleus of its list of policy holders; members of the outside public would also take out policies from time to time, and with the present opportunity to invest funds at a high rate of interest there is not likely to be a more favorable time for its establishment. I commenced my observations with the remark that I did not intend to traverse in detail the speech made by the honorable member for Bourke, because I had not had the opportunity to fully study the matter as he has done. I shall, therefore, conclude by expressing the hope that the motion will be carried, and that the Government will establish the Department as soon as possible.

Mr. O'MALLEY (Darwin).—My only object in rising to address myself to this question is that I desire to explain that when some two years ago the honorable member brought forward a motion dealing with the question of Government life assurance I voted against it, and for the reason that it was different altogether from the proposition which he now invites the House to pass. I wish, first of all, to congratulate the honorable member on the excellent speech delivered by him in submitting his motion to the House—a speech that was a clear declaration of what he seeks to accomplish. The proposition originally submitted by him was that all public servants should be assured by the Commonwealth. I was opposed to that proposal, because it was not suggested that the Government

should enter upon the business in a legitimate way. It was not proposed that a sinking fund should be created, or that the business should be conducted on lines which would give reasonable averages, and enable the Department to pay fair bonuses. The position now taken up by the honorable member, however, is entirely different from that assumed by him on the occasion to which I refer. It seems to me that as the Commonwealth will find it necessary from time to time to raise money in the markets of the world, and, as in the case of the Victorian conversion loan, we shall have to pay enormous rates of interest, we should make an effort to secure the profits to be derived from a Life Assurance Department, and thus reduce the necessity for floating loans. Large sums which go into the sinking funds of life assurance companies might well be kept in the hands of the Government, and used either for Commonwealth purposes or distributed *pro rata* among the States. Life assurance is not a charity, but a legitimate business, and must be run upon the great basis of equation. It must be conducted in the interests of policy-holders. New policy-holders must be secured from time to time. They are the life blood of a company, and without new business an office must die. In my opinion, we should establish a Commonwealth Life Assurance Department, even if it be only for the purpose of enabling an examination to be made of the business of life assurance companies on the lines adopted in Massachusetts. The honorable member for Bourke referred to the position in Germany; but I should like him to consider the life assurance laws of Massachusetts.

Mr. HUME COOK.—I am aware that they are very strict.

Mr. O'MALLEY.—In Massachusetts a Yankee is employed to throw life assurance people out of the State faster than the Japs have thrown the Russians out of Port Arthur. If the directors of a company are unable to swear to every item in their balance-sheet, the office is refused permission to do business in the State. It is a serious matter that a number of promiscuous life assurance companies should be permitted to transact business all over the Commonwealth without any reasonable restrictions being imposed upon them, and more especially is this the case when we remember that according to Carlyle many men are either born fools or become so later on. It is a serious matter that

many so-called representatives of life assurance companies should be allowed to promise people everything in the heavens above and the earth below, when they really represent no institution worthy of the name. I can remember one company—the Charter Oak—which carried on business in the State of Connecticut, and ruined thousands of people before the Government exercised strict supervision over life assurance societies. The Queen was another company which closed its doors after it had issued policies representing several millions of money. Some companies may be able on paper to show funds amounting to millions of dollars, when they have not a penny in the treasury. I remember one bank in Tasmania, which crossed the stream of destruction, and the directors of which had borrowed from it some £40,000 in excess of the actual amount of its capital. When we recall these facts, we must recognise that the people of Australia are not saints any more than are the people of the United States. I for one, at all events, have not heard of directors of large institutions working until late at night, and exerting themselves solely in the interests of the people. In Australia a man has to hustle for every dollar that he makes, and the people of the Commonwealth are just as grasping as are those of the United States of America, or any other country. There is a large amount of life assurance business to be transacted here, and the establishment of a Government Life Assurance Department would be an excellent investment. If I did not hold that opinion, I should not be found supporting this motion. I would point out, however, that, as the honorable member for Coolgardie has said, it is absurd to imagine that people will rush the Government life assurance office because of the inducements it offers, unless those inducements are brought prominently before them. A good business manager must be appointed, and perhaps we should compel every man to assure for at least £100. Why should we not do so? Why should we not set up a system similar to that which Germany has established? There workmen are required to insure their lives, and the premiums are paid by the Government, the workers, and the employers combined. That has proved a very successful system; but when we establish this department we must take care to bring its merits prominently before the people. Unless that

were done, it would be possible for a man to start out as the representative, for example, of the "Missouri Progressive Life Assurance Company," and to do business where the Government office could not secure a new policy-holder. I should not be afraid to set out to-morrow to secure life assurance business, without being the representative of any company. Everything depends upon the man engaged to do the business.

Mr. KNOX.—What salary would the honorable member require?

Mr. O'MALLEY.—I would not accept a position in the Department, because I am now too old to add to my responsibilities in this direction. The adoption of this proposal would bring money into the coffers of the Commonwealth Treasury, and would enable us to secure funds for a system of old-age pensions. That system might be established on the ordinary lines for a period of twenty years, and at the end of that time we should require pensioners to secure their allowance through the medium of the Life Assurance Department. By the creation of this Department we should be able to secure profits which would render it unnecessary for the Commonwealth in many cases to borrow money in outside markets. I shall have pleasure in supporting the motion.

Mr. DUGALD THOMSON (North Sydney).—I have no desire to enter into any lengthy discussion of this question, but I wish to place certain considerations before the House. Whilst I give the mover of the motion credit for the manner in which he has dealt with certain aspects of the question, I feel constrained to say that he failed to bring before the House a great deal of information that should have been placed in its possession before it was asked to deal with an important matter of this kind. For instance, we had Government companies quoted. But we had no comparison between the rates charged by those companies and public companies, and the privileges granted in return, nothing by which we could estimate the advantages offered to the assured by each. We had not that full information as to the character of these different Government schemes which is desirable before we are asked to commit ourselves to a resolution of this description. I admit that abstract resolutions, whether carried or not, mean very little, but we ought to be careful not to commit ourselves to a resolution unless we are satisfied that action should be

taken in the direction decided upon. Section 51 of the Constitution empowers us to make laws with respect to—

Insurance, other than State insurance; also State insurance extending beyond the limits of the State concerned.

There are different ways of exercising that power. I believe that our first duty is, not to establish a Commonwealth assurance office, even if that may eventually be shown to be desirable, but to meet the circumstances which honorable members who have spoken have detailed in connexion with the management of existing private institutions, by providing for an inquiry into their condition, so that the public may know that they are solvent, and that by the supervision of their operations payment of the policies when they become due may be guaranteed.

Mr WILKS.—We require a Commonwealth Audit Department.

Mr. DUGALD THOMSON.—We need a Commonwealth Insurance Department similar to that of the United States. There should be a very strict and searching examination of the operations of assurance offices. In some of the States there is practically no law aimed at securing the solvency of these offices, although the public have invested in them such large sums of money, and have indeed, in some cases, intrusted to them their future.

Mr. WILKS.—This lack of legislation is very marked in New South Wales.

Mr. DUGALD THOMSON.—It is a credit to those who have had the conduct of assurance business in Australia, that, notwithstanding these extraordinarily loose conditions, there has been practically no default. But it is not safe to allow this state of affairs to continue, and it should be our first business, not to establish a Commonwealth Department of Insurance—leaving the existing private offices to continue their operations under the loose conditions which now prevail, and perhaps diminishing their solvency by our competition—but to pass a law providing for searching inquiry and thorough investigation into the position of the existing companies, so that the public may have a guarantee as to the security of their investments. The honorable member for Coolgardie referred to a very important point in connexion with Commonwealth life insurance. It dovetails into the old-age pension question. He was perfectly right in saying that if we establish, not the charitable old-age pension

scheme which exists in one or two of the States, but one based upon contributions from those who are eventually to benefit, thus encouraging thrift, and removing the charitable aspect which is repellant to many, greater security for the regular payment of any given pension will be obtained than when the money has to be dragged from the pockets of the taxpayers.

Mr. WILKS.—In Germany it has been found difficult to keep up the contributions.

Mr. DUGALD THOMSON.—There are difficulties, which in Germany are to some extent surmounted by allowing the employer to deduct the contributions from the wages of his employes.

Mr. WILKS.—That is all very well where people have permanent employment.

Mr. DUGALD THOMSON.—Yes, but liberal conditions might be allowed, providing for the reinstatement of policies upon the making of payments at subsequent periods. The whole question, however, requires consideration, and the subject of both life assurance and old-age pensions should be referred to a Committee of the House for inquiry, before we attempt to deal with either. We shall probably not have an opportunity to establish an old-age pension scheme for a long time to come, but the whole subject might receive trenchant investigation at a period considerably anterior to that at which we are likely to be called upon to deal with it. Conditions are not alike in every country, and therefore an inquiry should be made as to whether compulsory or voluntary insurance is the better, as to whether a scheme of insurance can be combined with an old-age pension scheme, and in regard to other points. I do not say what my conclusions upon this subject will be. No honorable member can do so until such an inquiry has been made, and the evidence taken, presented, and reported upon. The question, however, deserves investigation. It has been raised by Mr. Chamberlain and others in Great Britain, and should be thoroughly looked into. We are now trying to determine something by a resolution which either means nothing, or, if it has a meaning, must be followed by action before any proper inquiry is made. Then, again, circumstances are not quite as the mover of the motion supposes. In the first place, while there is extreme danger in the operations of private companies without supervision, there is also danger in the operations of a Government Department. We

have seen the reckless attachment of Savings Bank funds by a Government, and the wanton use of loan money, and it cannot be expected that any Government continuing that policy would always remain solvent. There might be an occasion when such a Government, like a bank, would be unable to meet its liabilities.

Mr. WEBSTER.—If there had been reckless expenditure!

Mr. DUGALD THOMSON.—Does the honorable member express ignorance of reckless expenditure already having been undertaken?

Mr. WEBSTER.—I am doubtful of the truth of the assertion that it has.

Mr. DUGALD THOMSON. — Then the honorable member would require extreme evidence to convince him.

Mr. WEBSTER.—I am afraid that the statement is readily accepted without evidence.

Mr. DUGALD THOMSON.—I think there is evidence for it. Where are the Savings Bank funds of some of the States?

Mr. WEBSTER.—Wisely invested.

Mr. DUGALD THOMSON. — Portions of them are unprofitably invested in Government work on which no interest whatever is being returned. I am not speaking now of any particular Government, but suppose a run was made upon a Savings Bank whose funds at a time of monetary distress had been thus misappropriated—used as ordinary revenue, or for purposes which should be met out of revenue. Where would the Government be then?

Mr. WEBSTER.—The Government would come to the rescue of the bank.

Mr. DUGALD THOMSON.—It would have no money in hand.

Mr. WEBSTER.—They hold the power.

Mr. DUGALD THOMSON.—To refuse to pay. No doubt any of our Governments would pay eventually, though I know Governments which I should not like to trust.

Mr. HUME COOK.—Would not the fact that the Government was behind the bank prevent a run?

Mr. DUGALD THOMSON.—No. I have seen a run upon a Savings Bank guaranteed by a Government. It was the most extraordinary sight I ever saw. No ordinary run upon a bank was like it. Honorable members who come from New South Wales know the run that took place there. On that occasion it was not the

Government but the other banks which, by providing gold, prevented the Savings Bank from shutting its doors. Institutions are not necessarily sound and solvent and superior to runs or to strain merely because they are Government institutions. Good management must be exercised in connexion with both Government and private institutions if they are to remain solvent, and it is only good management that can make a Government institution equal to a successful private institution. It has been said that if there were any shortage in a Government insurance fund the people could be taxed to make good the deficit. That is a most unfortunate argument. The insurance money due by Government institutions should be provided by the premiums paid by those who insure, not by the taxpayers. Those who have insured in private offices should not be called upon to assist in making good the shortage in a Government fund so that payments might be made to others who had insured with the Government Department. The Government Department should stand on its own footing, and pay its own liabilities. The honorable member for Bourke stated that the premium rates of the New Zealand Government Department are lower than the rates of the private companies doing business there, but they are obviously lower only if the Government office gives the same privileges as are given by private companies, and he stated that they do not. Consequently it cannot be shown that they are lower unless a very exact comparison is made, and we have not been given an opportunity to make such a comparison. The honorable member said that the lowest rate of interest earned by public life assurance companies in Australia was 3.9 per cent., and that the highest average rate earned by any company was 4½ per cent. That is the interest returned upon the investments. I know that it is possible that some of the investments of these companies may not be accurately valued. That is why I say that we should appoint some authority to make a searching inquiry. In many cases, however, there is ample security afforded to those who are assured. I am not speaking as one who has any connexion with life assurance companies. I neither hold shares, nor am I a director, nor do I hold a policy in any life assurance company; but I am aware that some of the companies

make the most ample provision for any drop in the value of their assets. Funds are set aside for that purpose, and the rate of interest upon which they calculate their rates is reduced from time to time, so that it is gradually becoming lower and lower. That is one of the methods which the companies have of offering additional security to investors. A State Assurance Department, such as proposed, would invest its funds in Commonwealth bonds, and possibly in State bonds. I do not see how a Commonwealth institution could invest in municipal bonds. Therefore the Government could not expect, at the usual rates for money, to earn more than 3 per cent. The New South Wales Government credits its Savings Bank depositors at present with 3½ per cent., but for years the rate was only 3 per cent. That is a considerable reduction on the rates earned by private companies, and must mean some reduction of the advantages offered to persons assuring. I do not say that this is an absolutely fatal argument against the establishment of a Government Life Assurance Department; but I contend that it shows the necessity for a searching inquiry before we commit ourselves to any resolution. I cordially agree with all that has been said regarding the objectionable practice of assuring the lives of infants, but that has nothing to do with the proposal to establish a Government Life Assurance Department. Independently of any question of that kind we should require to pass a law dealing with the life assurance companies now in our midst, in order to put a stop to the objectionable practices mentioned. I certainly cannot vote in favour of a bald motion of this kind until we have first taken all the steps that are within our power, under the Constitution, to regulate private assurance companies, and until we have inquired into the question of Government assurance, particularly in Germany and New Zealand, and have obtained a report instituting a comparison between the conditions in those countries and in our own. This would be necessary before we could arrive at a proper decision. and, therefore, I must vote against the resolution.

Sir GEORGE TURNER (Balaclava—Treasurer).—I think that the honorable member for Bourke is to be congratulated. not only upon having brought forward the motion, but also upon having thoroughly investigated the subject, and endeavoured to place it clearly before us.

I agree with him that this is a far-reaching proposal. It is also one which I do not feel justified in asking the House to deal with until we have had opportunities for fuller discussion and consideration. So far as I am personally concerned, I am, to a considerable extent, in sympathy with the honorable member's views, but I feel that a Minister occupies a position different from that of a private member in dealing with such a subject, because he would be responsible for afterwards giving effect to his views, and would have to bear the full burden of any mistake that might be made. I am making inquiries into the subject. I have the latest report from New Zealand, and there are certain facts upon which I desire to obtain information, with a view to placing it before the House. I also wish to consult with my colleagues upon this important subject. Under these circumstances, I do not think it is unreasonable to ask that the debate should be adjourned. There is not a very large amount of private members' business on the notice-paper, so that the honorable member for Bourke need not fear that he will be deprived of an opportunity to further deal with the motion later on. I move—

That the debate be now adjourned.

Motion agreed to; debate adjourned.

HIGH COMMISSIONER BILL.

Motion (by Mr. DEAKIN) agreed to —

That leave be given to bring in a Bill for an Act to provide for the office of High Commissioner of the Commonwealth in the United Kingdom.

Bill presented, and read a first time.

CONCILIATION AND ARBITRATION BILL.

SECOND READING.

Debate resumed from 13th April (*vide* page 937), on motion by Mr. DEAKIN—

That the Bill be now read a second time.

Mr. MAUGER (Melbourne Ports). — I shall endeavour to avoid, as far as possible, reference to matters with which I dealt in my speech upon a similar measure last session. I desire to briefly reply to one or two statements made by honorable members who have adversely criticised the Bill. In the first place the acting leader of the Opposition, in a carefully prepared and an exhaustive speech, dealt with the question of conciliation, and pointed out that in Great Britain this very admirable system was

making such rapid strides that there was no occasion for the Bill. I do not wish to deprecate conciliation.

Mr. DUGALD THOMSON.—What was referred to was voluntary arbitration.

Mr. MAUGER.—That is much the same. Conciliation and voluntary arbitration are practically interchangeable terms.

Mr. DUGALD THOMSON.—No.

Mr. MAUGER.—An agreement without the force of law, whether it be the result of voluntary arbitration or or conciliation, is very much the same. The honorable member referred to the successful efforts of the Honorable Mr. Mundella, at one time President of the Board of Trade, in connexion with the cotton and other industries.

Mr. DUGALD THOMSON.—I did not refer to Mr. Mundella. It was the honorable and learned member for Angus who did so.

Mr. MAUGER.—I think the honorable member also referred to him. However, in connexion with that matter, I should like to remind my honorable friend that in all cases in which the so-called voluntary arbitration has been successively applied, the trades unions have been sufficiently strong to compel a settlement, and to see that the decisions given by the Arbitration Boards were respected. Behind the unions also was a very strong public opinion. Notwithstanding all that the honorable member said with regard to the success of conciliation, I would point out to him that, according to the latest Board of Trade returns, those for 1903, the duller year that has been experienced in the United Kingdom for a very long time, the number of working days lost through trade disputes was simply appalling. The figures for last year show a decrease on those for the preceding year, because trade was duller, and business generally was not nearly so brisk. The number of working days lost in 1903 was no less than 2,317,000, involving 114,000 persons, whereas the average annual loss in 1902 and 1903 was no less than 8,840,000, involving 271,000 persons. And yet the honorable member for North Sydney would like honorable members to believe that the principle of conciliation is being applied with such success to the settlement of trade disputes in the United Kingdom that the only strikes occurring are of a trivial character.

Mr. DUGALD THOMSON.—I did not say that.

Mr. MAUGER.—The honorable member argued that nearly all the important trade disputes had been settled by voluntary arbitration.

Mr. DUGALD THOMSON.—I did not say that.

Mr. MAUGER.—Then the honorable member did not convey what he intended. I agree that where trades unions and the employers have consented to conciliation, the application of that principle has been attended with success. But I also contend that hundreds of claims for disputes to be referred to Boards of Conciliation have been refused, that strikes and trouble have resulted, and that the loss thus occasioned has been so enormous that last year, which was a dull year, no less than 2,317,000 working days were lost to the workers of Great Britain. That alone is sufficient to warrant such a proposal as the Government are submitting to this House. Let honorable members reflect what that loss really involves. As John Burns said in speaking upon this very matter at Battersea recently, it is not only the loss which is involved from an economic stand-point, but the suffering which is involved in the homes of the workers. He rightly urges that the women, upon whom the burden chiefly falls, are really worthy of the Victoria Cross for bearing so nobly the trials which they are called upon to endure, in consequence of these great industrial calamities. I repeat that no less than 114,000 persons were involved in trade disputes in England last year, and 2,317,000 working days were lost to them as the result. The honorable member for North Sydney also alluded to the working of the New Zealand Act, and urged amongst other things that whilst in many instances wages have been raised as the result of this class of legislation, and that consequently the position of the workers has been improved, the cost of the articles produced has been enhanced to the consumer.

Mr. DUGALD THOMSON.—Naturally.

Mr. MAUGER.—I interjected that such had not been the case in Victoria.

Mr. DUGALD THOMSON.—But there is no Arbitration Act operative in Victoria.

Mr. MAUGER.—I meant as far as the Act and the principle applied. I intend to show that in the opinion of a New Zealand legislator, that result has not been produced there.

Mr. DUGALD THOMSON.—There is no Arbitration Act in force in Victoria.

Mr. MAUGER.—But we have an Act which brings about practically the same results. We have wages boards in Victoria, which are constantly raising wages, shortening hours, and generally improving the status of the working classes.

Mr. G. B. EDWARDS.—They are one-sided, then.

Mr. MAUGER.—They are intended to be one-sided. If the argument of the honorable member for North Sydney be correct, the cost of the articles produced by all the industries in which wages have been raised in Victoria, should have been enhanced to the consumer. That has not been the case. Indeed, in ninety out of every 100 cases, there is no connexion whatever between the cost of the article to the consumer and the price which is paid to the person who produces it by the manufacturer.

Mr. DUGALD THOMSON.—The honorable member will find that my statement is confirmed by sworn evidence.

Mr. MAUGER.—Let me give a concrete case. For some years we have been agitating for the establishment of a wages board in connexion with the dressmaking industry in this State. The Minister for Labour, Mr. Murray, was for a long time opposed to that proposal, but he collected data which conclusively demonstrated to him that there was no connexion whatever between the cost of an article to the consumer, and the wages which were paid to the persons engaged in producing it. For some time he had on exhibit at the State Parliament House ladies' dresses valued at 14s., for the making of which 1s. 3d. was paid to poor struggling seamstresses. But, reverting to the case of New Zealand, I wish to quote from the New Zealand *Hansard* the report of a speech delivered by the honorable member for Christchurch city, in which he alludes to the very matter which was referred to by the acting leader of the Opposition. This is what he says in reference to the prices which are charged in that Colony, and the effect of the Arbitration Act upon those prices:—

If one will take the trouble to go through the warehouses of the cities, it is astonishing to see the enormous stocks to be found there of highly-manufactured articles produced in this country. With regard to the prices of boots and clothing, and so forth, I have to furnish my family with these articles, and I know they have not gone up

in price, although the wages of those who make them have gone up.

These statements prove conclusively that the contention of the honorable member for North Sydney, that prices have been raised as the result of the operation of the New Zealand Act, is altogether erroneous. The honorable member also urged that unionists in England and America object to the principle of compulsory arbitration. I quite agree that that is so. But the honorable member forgot to mention why they are opposed to a system of compulsory arbitration. In this connexion I would point out that one of the principal leaders of unionism in America, the organizer of the great Anthracite Trades Union, which numbers 250,000 members, and is perhaps the largest industrial union in the world, in a recent article, published in *McClure's Magazine*, declares that he is entirely opposed to the principle of compulsory arbitration, because he thinks it would be sheer madness on the part of the working men of America to give up their right to engage in a strike whenever circumstances may demand it. He goes on to use arguments in support of his position. He says that after five months' struggle in connexion with the great anthracite coal strike, the force of public, of judicial, and of legislative opinion impelled the owners to agree to a settlement of that trouble, and, as a result, arbitration was eventually resorted to. Surely that is not voluntary conciliation. It is, rather, compulsory arbitration of the very worst type. In America trades unionists take up their present position because they wish to retain the power to strike, and also because they have absolutely no faith in their Judiciary. Whether any grounds exist for that lack of faith, I am not in a position to say, but I rejoice to think that we have not yet reached that pass in Australia. I rejoice that the majority of the working men of the Commonwealth are content to trust our Judiciary, and to submit these important matters to its decision. A condition of affairs prevails in England similar to that which obtains in America. At a recent congress, which was held in Manchester, the leading unionists urged that the one powerful weapon, which had secured to them all the progress and advancement of the past fifty years, was that of industrial warfare—the right to strike—and that it was their duty to see that no Parliament deprived them of that right. They further declared that they had no faith in decisions which might be given by their

Mr. Mauger.

Judiciary. That is a deplorable condition of affairs. These are the reasons why the workers of Great Britain and America refuse to subscribe to the principle of compulsory arbitration. I am, however, of opinion, that before many years have elapsed they will have changed their views just as Mr. Ben Tillett, who was formerly opposed to that principle, was impelled to change his opinions. He visited New Zealand for that purpose of inquiring into the working of the Arbitration Act there, and, as a result, was converted into an advocate of the compulsory system. Similarly, I believe that as the trades unionists of England gain experience in regard to this matter, they will do as they did in connexion with the system of voting by ballot—follow in the footsteps of Australia, and support the principles which are embodied in this Bill. We believe that our Judiciary will do the right thing. We have every confidence in the Court which it is proposed to establish. More than that, we hold that strikes are barbarous, and that industrial war is even more calamitous than is war between nations. It leaves an ineffaceable trail in the sufferings of women and children, and ought, therefore, by all means, to be avoided, even at the risk of great loss on the part of those engaged in our great industrial affairs. The honorable member for North Sydney also contended that the prosperity of New Zealand was due to its great natural resources, and to the fact that Providence had been kind to it. But surely those great natural resources existed prior to the enactment of this particular form of legislation. New Zealand was just as prolific before 1891 as it has been since. The country did not derive greater benefits from the South African trade than did Australia. The Victorian trade with South Africa was exceedingly great and valuable, and I am sure that, if we compare our exports with those of New Zealand, it will be found that we enjoyed a very considerable measure of that trade.

Mr. DEAKIN.—In addition to that, we had the trade of Western Australia, which New Zealand had not.

Mr. MAUGER.—Exactly. I should like to direct the attention of the House to some remarkable figures in connexion with the progress of New Zealand during the ten years ended 1901. In 1891 there were 59,477 persons employed in agricultural pursuits in that country. In 1901 the number had increased to 67,812—an increase in

agricultural labourers and employés of 8,335, and that notwithstanding the fact that the Arbitration Act of that State can be applied to those engaged in agricultural pursuits.

Mr. POYNTON.—The Re-purchase Act had something to do with that increase.

Mr. MAUGER.—I am not urging that it had not. At the same time, the honorable member will agree that that Act and its beneficial effects only serve to emphasize the point that the small farmers of New Zealand have not been crushed by the operation of this legislation. On the contrary, they have been able to progress, and to employ a larger number of hands. I could quote from the New Zealand *Hansard* to show that the fear which exists in the minds of the farming community of Victoria in respect of legislation of this character does not obtain in New Zealand.

Mr. POYNTON.—Does the Arbitration Act of New Zealand apply to the farmers?

Mr. MAUGER.—It may be applied to them. One large farmer, writing to the Treasurer of New Zealand, rejoices to notice that the agriculturists of that State are forming an association, because, he declares, its inevitable effect will be to cause their employés to organize, and as soon as they do so their hours of labour will be shortened, their sleeping apartments improved, and their general environment bettered. Surely even the honorable member for Wannon will not dispute, although he may perhaps resent the application of this Bill to those engaged in agricultural pursuits, that there is room for vast improvement in the condition of the farm labourers throughout Victoria. I do not profess to be as familiar with the farming industry as I am with the industrial life of Melbourne; but I am in a position to state that many of the places in which farm labourers have to sleep, and, indeed, many of the conditions under which they are required to work, are more characteristic of barbarians than of a civilized community. Whether the time has come for the application of this measure to farming communities or not, I think that all right thinking people will feel it their duty to do their best to improve the condition of farm labourers. As the environment of these men is improved, the attractions which the cities hold out to them will decrease, and the exodus from country districts to large centres of population will be reduced. In New Zealand the number of agricultural

employés increased by 8,335 between the years 1891 and 1901.

Mr. ROBINSON.—Does the honorable member say that the farmers of New Zealand are under the Conciliation and Arbitration Act?

Mr. MAUGER.—I say that the farming community of New Zealand may take advantage of that measure. In 1891 there were 10,056 persons employed as pastoral labourers, while in 1901 there were 16,872, an increase of 6,816. During the same period the increase in the number of persons employed in the mining industry amounted to 939, while in all the primary industries the number of persons employed increased by 21,375. In the number of persons engaged in manufactures there was no less an increase than 23,085. The latest return which I have been able to obtain shows that there are no less than 48,718 persons employed in manufactures in the great colony of New Zealand.

Mr. DEAKIN.—Can the honorable member explain why the number of unionists in New Zealand is not increasing?

Mr. MAUGER.—I think I can. The fact is that trades unionists very rarely increase in numbers when good wages are being paid and when the country in which they live is in a comparatively prosperous condition.

Mr. SPENCE.—We have also to remember that the Judge in the New Zealand Court decided that he would not give a preference to unionists.

Mr. MAUGER.—Quite so, but prior to that decision there was a slight decline in the number of unionists. For the last four or five years there has been a tendency towards a decrease rather than an increase. A leading trades unionist, writing from Auckland, as late as last week, states that the only reason he can assign for this falling away in the ranks of unionism is that tailoresses, furniture workers, woollen mill employés, and others are now receiving higher wages than were ever paid before, and that the condition of the working classes generally has so much improved that they have become careless of unionism. Believing that their present position is assured, they do not feel that there is any need to trouble about unions.

Mr. SPENCE.—And we know that the Judge of the Arbitration Court there declined to give a preference to unionists.

Mr. MAUGER.—That may be one of the causes, but it is not sufficient to wholly

account for the decline of trades unionism. I think that the honorable member for Darling will bear me out when I say that it is in the time of stress and trouble—when the poverty and hunger of men can be appealed to—rather than in the days of prosperity that they are inclined towards trades unionism. In times of prosperity they are disposed to become careless of trades unionism, forgetting that, in various ways, they are even then reaping the benefits of the system.

Mr. CARPENTER.—In Western Australia some of the workers deliberately said to the union representatives:—"Now that we have the Arbitration Court we do not want the unions."

Mr. MAUGER.—That only shows that among the workers, as in other classes, there are selfish people.

Mr. SPENCE.—Tyrannical employers always make trades unionists.

Mr. MAUGER.—I agree with the honorable member. If all employers paid good wages, required their employes to work only a reasonable number of hours, and endeavoured to bring about a better understanding between themselves and their workmen, they would do much to "scotch" the bogey of socialism, of which they are so ready to speak. It is because many of them try to crush the workers, and indulge in speeches such as those made at a certain gathering in this city last night, that they cause men to join unions. Such tactics do not always bring about beneficial results to the employers. I also agree with the honorable member for Darling, that the advent of the Employers' Federation, and the almost insane utterances of its executive officers, have done more to re-vitalize trades unionism in Victoria than has all the preaching in which supporters of unionism have indulged for the last twenty years.

Mr. POYNTON.—That Federation, coupled with the passing of the Coercion Act in Victoria, have brought about that result.

Mr. ROBINSON.—A Coercion Act was not passed by the Victorian Parliament. It was simply an Act to suppress a revolt against constituted authority.

Mr. MAUGER.—If there has been no Coercion Act passed by the Victorian Parliament, there has been an Act passed that has sown the seeds of discord and distrust, the harvest of which is now being reaped, and is likely to be reaped for some years to come in this State. I am sure that if

greater moderation were shown by employers, and if the spirit of oppression were less in evidence than it is, we should have far less friction between master and men than exists to-day in Victoria. The figures which I have quoted conclusively prove that wonderful progress has been made in New Zealand under legislation similar to that which we propose to pass. It is true that there have been trade troubles there, and those troubles are likely to continue to make their appearance. There has been friction there, and there must be friction as long as human nature is constituted as it is. But, nevertheless, the trouble and friction which have occurred have not been nearly so great or so painful in their results as were the strikes of former times.

Mr. POYNTON.—There have been no lost days.

Mr. MAUGER.—No. Lost days, whether due to idleness or follies of any kind, are not easily made good. There have been no lost days in connexion with the great enterprises of New Zealand. The pastoral, agricultural, mining, and manufacturing industries have all advanced steadily, and a feeling prevails in the best minds in New Zealand to-day that the Colony is in a better condition than is any other country.

Mr. SPENCE.—The facts in relation to New South Wales also prove that good has attended the passing of the State Arbitration Act.

Mr. MAUGER.—Quite so. As time goes on—as the accumulation of business now before the New South Wales Arbitration Court is cleared away—the Act will be found to work better than it does at the present time.

Mr. SPENCE.—There has been prosperity in New South Wales since the passing of that Act.

Mr. MAUGER.—And I am satisfied that that prosperity will continue. The troubles and difficulties now to be found among the workers in New South Wales are as nothing compared with those incidental to the disastrous shearing strike and other trade disputes of a few years ago. I wish now for a moment or two to deal with one or two questions touched on by the honorable member for Wentworth. The honorable member referred to the effect of the minimum wage and the common rule as applied under an Arbitration Act, and made the statement which is continually being advanced by opponents of this class of

legislation in Victoria, that the minimum wage invariably becomes the maximum. We are constantly being told in this State that the minimum wage always becomes the maximum wage; that under that principle conscientious work must go unrewarded, and that the careless man is just as highly thought of as is the man who puts intelligence and skill into his labour. We know that that is contrary to fact. Under a minimum wage provision we say, in effect, to the employers of the country—"You are to begin at a certain standard; but it is open to you to reward intelligence and thrift and faithful service as much as you please." I am happy to say that such service is being rewarded by the majority of the employers of Victoria. I have before me a statement that completely controverts the assertion of the honorable member for Wentworth as to the effect of a minimum wage. I refer to a quotation from a report of the Chief Inspector of Factories in Victoria, which is an irrefutable reply to the assertion that the principle of the minimum wage is reducing the standard of living, that there is no effort to go beyond the minimum fixed, and that all workers under it are brought down to the one common level. Mr. Ord says—

I am anxious to refer to a statement repeatedly made by some manufacturers, and which frequently appears in the press. The statement is that the minimum wage is nearly always the maximum wage, and that the fixing of same tends to take away from the good workman the incentive to do his best.

That is what my honorable friend said yesterday—

The Special Board system has now been in force in a few trades since 1897, and I have no hesitation in saying that the minimum wage is never the maximum wage. If we take the clothing trade for instance, the minimum wage for adult males is 45s. per week, whereas the average wage paid last year was 53s. 6d. per week; for adult females in this trade the minimum wage is 20s. per week, whereas the average wage paid last year was 22s. 3d. per week.

Honorable members will see that the minimum wage is considerably below the average wage.

Mr. ROBINSON.—Then why does the honorable member seek to have it fixed?

Mr. MAUGER.—Now that I have proved that the position of honorable members is absolutely untenable, I am asked why we require a minimum wage. My reply is that we need it to prevent the men

whose interests some honorable members champion from forcing their employes to work for a less than a reasonable wage. In the days of Victoria's prosperity—at the very height of the land boom—seamstresses in Melbourne were being shamefully sweated.

Mr. MALONEY.—The Premier of the day was accused of wearing clothes made in a sweater's den.

Mr. MAUGER.—Quite so. He discovered that, unknown to him, the clothes he was wearing had been made in such a place. There is no connexion whatever between the price paid by a man for his clothing and that which the manufacturer gives to have it made up. The late J. B. Patterson, when Premier of Victoria, received the first deputation which set in motion the factory legislation of the State, and in the course of the interview he discovered that his own clothes, for which he was paying a fair price, were being made by sweated men and women at a shamefully low rate. We sought to prevent the repetition of such occurrences, and I am proud to say that the Victorian Factories Act has had that effect. It has made the minimum wage not even the average wage, to say nothing of it being the maximum. Then the Chief Inspector of Factories goes on to say in his report that—

In the boot trade the minimum wage is 42s. for adult males, whereas the average wage paid last year was 44s. 7d. For adult females the maximum is fixed at 20s., whereas the average wage paid last year was 21s. 8d.

My own experience bears out the statement of the Chief Inspector of Factories, that the minimum wage does not become the maximum wage, and that there is nothing in legislation of this kind to prevent employers rewarding conscientious workmen in a suitable way. I am confident that many employers make the Victorian Factories Act a mere stalking horse. Many are anxious to carry out the spirit of the Act, but there are others who continually make use of it in their desire to deal unjustly with their work-people. The honorable member for Corangamite does not appear to have realized that the day for individual bargaining has gone for ever, and that provision must now be made for collective bargaining. He speaks flippantly of agitators on the side of the workers, unmindful of the fact that there are agitators and organizations working in the interests of the employers.

Mr. POYNTON.—The employers have their unions.

Mr. MAUGER.—They have some very strong unions. We all know that the lawyers and doctors and bankers have some of the closest corporations for the preservation of their interests of which it is possible to conceive.

Mr. G. B. EDWARDS.—Look at the black list issued by the capitalists of America the other day.

Mr. TUDOR.—There have been black lists here.

Mr. MAUGER.—No doubt. The employers are continually organizing. I do not object to that. I think that under our present system every employer should join an organization. But as the employers recognise the value of organizing, and of appointing lecturers and secretaries, they should be prepared to concede to the employés the right to take similar action, and should rejoice in the fact that the employés are preparing to meet them upon a fair and reasonable basis. The honorable member for North Sydney appeared to think that the New South Wales Arbitration Act is likely to break down; but in the *Review of Reviews* there is an admirable article which I commend to honorable members. It is by the leader of the Opposition in New South Wales, Mr. J. H. Carruthers. He does not appear to be favorably inclined to this kind of legislation.

Mr. SPENCE.—He was opposed to it.

Mr. MAUGER.—That makes his article all the more significant and valuable, and bears out my contention that the New South Wales Act has been fairly successful. Time and experience will make it more successful, and if reasonableness is shown by both sides the results are likely to be all that we desire. Mr. Carruthers writes—

There seems to be no middle course. With the political situation of Australia, adult suffrage, vote by ballot, and the great power of the people over Parliaments and Governments, industrial disputes, if permitted to engender strikes, will become political disputes, and the institution of self-government will be degraded.

That has been and will continue to be the case. These matters are not subjects for political discussion or political settlement. They should be settled by a judicial body having proper information and data before it. Mr. Carruthers continues—

Far better to have a wisely-designed law, administered by an impartial Judge and assessors, and maintained free from political interference, than to have every industry in the land at the mercy of politicians created for the purpose of taking sides in industrial warfare.

The present law is but an experiment, but it is a valuable one, and, with a fair trial, it bids fair to show us errors to be avoided, and some solid achievement to maintain.

Those words apply to the measure which we have now under consideration. I hope that all the wisdom and thought which can be brought to bear upon it will be given to it, and that the result will be an Act of which we shall have reason to be proud.

Mr. G. B. EDWARDS (South Sydney).—The number of points of view from which honorable members have dealt with this question on its second discussion in this Chamber is astonishing. In the many speeches to which I have listened, both yesterday and to-day, I have not heard the subject dealt with by any two speakers from the same stand-point, and I find myself in the position of being able to express my opinions from a point of view which, I think, has not yet been referred to. I am not opposed to this legislation. On the contrary, I am firmly convinced that something in the direction of compulsory arbitration must ultimately take place. My experience as a manufacturer and a considerable employer of labour has taught me that no other means for securing industrial peace exists. But in dealing with this measure we are brought face to face with a great political crisis. We cannot blind our eyes to the fact that we have to consider, not only the concrete proposals put before us by the Government, but also the question which party shall ultimately hold the reins of power in this Commonwealth. As I have already fully expressed my views upon the subject of arbitration, and the need for doing something to secure to labour its fair share of the rewards of industry, I should not have spoken on the subject again but for the very extraordinary and peculiar circumstance to which I allude. The position of affairs is a very confused one, and no two of us are quite in accord as to what should be done. I am decidedly in favour of making an attempt to deal with such industrial disputes as we are empowered to deal with by the Constitution. The experience which has been gained elsewhere and in the States in the adjustment of industrial differences, although not entirely favorable, is sufficient to warrant us in continuing what I regard as experimental legislation, and to that extent I must support it. But, as I have already stated, I do not think it is the wisest measure that we could adopt for dealing with the very grave and far-reaching difficulties

which must present themselves. The adoption of compulsory arbitration in varying degree has occurred in several of the States, and the result in some of them has been practically successful. Although the success of the New Zealand legislation is to be discounted to some extent by the prosperity which has so happily befallen that country, the operation of the New Zealand Acts has been in the main satisfactory. The Victorian wages boards, which had a somewhat similar end in view, have also been successful in remedying to some extent the grave consequences which have been due to free competition in the employment of labour in this State. The New South Wales Act, though not the wisest that could have been devised, has also, I am forced to admit, not been unsuccessful. The friction which its administration has caused has been due largely to the fact that it descends to deal with a great variety of detail. Instead of laying down broad principles and main lines of settlement it has descended to such trumpery and trivial details that a vast amount of irritation has been caused. Yet, on the whole, while we must view all this legislation as tentative, I consider that this Parliament is justified in carrying the experiment still further, by providing for a method of settling disputes which extend beyond the control of the Legislatures of the States. Such disputes must be of vast magnitude, and very far reaching in their consequences, not only to those immediately concerned, but to the whole public of the Commonwealth. It is not here or there, but from one end of the world to the other, that disputes between capital and labour, between employer and employé, arise, and any effort to bring about industrial peace must be regarded as laudable. I think it is forced upon those who oppose compulsory arbitration to tell us what is the alternative. No man who goes about the world with his eyes and ears open can ignore the present economic difficulties, the friction, want of agreement, and industrial discord which exist from China to Peru. We hear daily of strikes and disputes between the two great factors in the economic production of the world. Therefore those who oppose legislation for the settlement of these disputes should set before us some alternative. To my mind, we must either meet these difficulties, or be prepared to submit to a condition of anarchy. My reading and my personal experience make me believe that no better

solution has yet been offered than the adoption of arbitration, and arbitration is useless unless it is made compulsory. All systems of arbitration which have hitherto been adopted have done a certain amount of good, but in most instances, unless those in disagreement are compelled to come to terms, no great amount of good is to be looked for from arbitration. The better class of employers, who desire to treat their men well, are frequently prevented from improving the condition of their employés by the competition of others, who, by treating their men less generously, are able to produce more cheaply. Compulsory arbitration for such employers would be an advantage, because it would compel all to conform to a certain standard. In my opinion, we must either follow in the lines of the economic evolution of civilized society, or we must be prepared for a devolution, under which the nation, by reason of its falling off in physique and intellectual vigour, must be crushed out of existence by other nations; or there must be an absolute revolution. We shall do well to move on the lines of well-known natural forces, resistance to which would bring about a greater national disaster than any slight loss accruing to employers under legislation which would give employés greater profits than they now enjoy. A great deal has been said about the teachings of history with regard to this matter. I think I have read history to as great an extent as most ordinary men, and, like most ordinary men, I find that my reading has been to a large extent undigested. Certain very general broad impressions have, however, been left on my mind, and one of these is that the world has for centuries past been moving in the one direction. It is as if one saw the curve of a circle, and were asked to state in what direction the line was proceeding. One would have no difficulty in predicting the course which the line would describe, because one could see that it had been following a certain direction. If we learn anything at all from our historical reading, we gather that, from the dawn of history up to yesterday, the general tendency of economics has been in the direction of a more equitable distribution of the products of labour. All that we have been able to read of history, of that of the last 100 years in particular, shows that the State has interfered more and more in the direction of bringing about an equitable distribution of the

results of labour. All the talk indulged in regarding the suggestions which were made in the middle ages, and which were adopted, and afterwards discarded, go for nothing, in view of the general trend of history, which has been in the one direction and with a strengthening purpose. The teaching of history alone shows us that we must adopt some such legislation as this in order to keep pace with the evolution that has been in progress. The main objection to this class of legislation has been summed up in one word, which has been repeated so persistently and with so much force that it has almost silenced many supporters of this measure. I refer to the word "socialism." There would be some trouble in defining that word in such a way that the definition would be accepted by every one engaged in this discussion. We have been recently invited by one of the newspapers of Melbourne to give our definitions of that word. I should be very pleased indeed if we could induce every honorable member to give an absolutely unbiased opinion, apart from any reference to the encyclopædia, regarding the meaning of that word. If this could be done and an average were struck, the result would probably be to give us the general acceptance of the term, although, of course, many of the opinions would be diametrically opposed. The word "socialism" has been used as a weapon by the strongest opponents of legislation of this kind. I was very much struck by an incident related by the honorable and learned member for Northern Melbourne, whose experience coincides with my own. The honorable and learned member told us that he had had a conversation with a gentleman of his acquaintance in a train. This gentleman was apparently well-to-do. If he had not been he would scarcely have given his opinion that the country was going to the dogs, and that socialism was ruining the community. This same gentleman, before he left the honorable and learned member, said that Parliament ought to do something by way of legislation in a certain direction in which he was interested, and his suggestion was as purely socialistic as anything that has ever been proposed in this Chamber. Those who are so strongly opposed to socialism when it does not bring anything into their own pockets are among its staunchest advocates when it bears upon some large scheme of irrigation, a proposal for the payment of iron bonuses, or for something else in which they are interested.

Mr. G. B. Edwards.

Then they are absolutely socialistic; because they wish to bring about a combination of all the forces of the State in order to secure a certain result. That is one of the definitions of socialism. When, however, something is proposed which will confer benefit upon others, but will not be attended by any particular advantage to them, these self same gentlemen declare that they will have nothing to do with it, and that socialism is ruining the country. According to one encyclopædia, to which I referred, socialism is "a new form of social organization, based upon a fundamental change in the economic order of society in which the collective or co-operative principle shall become normal or usual, and under which all shall share in the fruits of associated labour, in accordance with some good or equitable principle." That is socialism, and adhering strictly to that definition, we have amongst us very many socialistic institutions, which have succeeded past all the expectations of those who proposed them. Take the post-office, for instance. Those who oppose such a measure as this on the ground that it is socialistic, say that everything should be left to private enterprise, that we have no right to interfere with the liberty of the individual. If we applied that class of reasoning to the post-office, it would be claimed that every person should have liberty to despatch his letters in his own way, at his own time, and according to his own methods. But, after the experience of the post-office for two centuries, we have come to the conclusion that this measure of socialism has resulted in the greatest benefit to the whole body politic, poor and rich, old and young. If it be good that a man should be able to exchange his ideas upon business or social matters through some medium of Government creation, why should he not be able to send his linen to a national laundry, get it washed, and returned to him? This is done in some countries. Socialism resolves itself into a question of how rapidly it is wise for us to proceed. Some countries have gone beyond our present standard, and others have lagged behind, and the question as to how rapidly it is wise to proceed in the direction of the whole body of the people doing something through its Government, in the interests of the community generally, is purely one of expediency. France regulates its funerals and its public laundries, and has many other institutions which we should

consider socialistic ; but the State has not yet taken over the control of the railways in that country. Socialism, I take it, is civilization carried to its ultimate ideal, and we are all socialists. The only difference between one socialist and another is with regard to the rapidity of the rate at which we should proceed in achieving our ultimate ideal. If any one asked an enlightened man for a definition of Christianity, he would be told that he had better ask for its history ; and so it is with socialism. Anyone who seeks a definition of the term had better ask for a history of the development of the idea. In regard to the regulation of the relations between labour and capital, we have passed through several evolutions. Paternalism has gone, individualism has gone ; they have absolutely passed away. Profit-sharing and co-operation have not yet come into being. They have been tried in isolated cases, with more or less satisfactory results, but to adopt them as a general means of removing present-day difficulties seems to be quite out of the question at present. I believe that profit-sharing will ultimately remove the difficulties attendant upon the struggle between capital and labour ; but up to the present nothing practical has been done to justify us in adopting it as a national expedient. I am firmly convinced, however, that the time will come when it will be possible for a number of men in a certain trade to band themselves together as workmen, and—as in the case of the members of a limited company at present—to go to capitalists and obtain credit on the strength of their union. They will be able to ask the capitalists to give them the money necessary to make their labour productive, and the possession of the power to labour will then be quite as good a credential as is the possession of so much credit to-day. We have not yet reached that stage, and therefore we have to consider what other expedients are open to us for the settlement of the grave difficulties which show no signs of diminishing in this or other countries. A French writer, M. Yves Guyot, has recommended that workmen should enter into such combinations as I have indicated, and that, instead of holding capital in common, they should hold labour in common. The capitalists should go to them and say,—"We desire to produce so many thousand yards of cloth, or so many thousand pounds of goods. We have here a full supply of the raw material, and we wish to know at what price you will sup-

ply the labour necessary to transform the raw material into a marketable article." This writer declares that a solution of the difficulty is to be found in that direction. But when practical men come to examine it, it seems utterly impossible to deal with the problem upon those lines, for the reason that the class of labour, and the means of employing it, are so diversified. Consequently, I scarcely think that even this advanced writer has discovered the solution of this unquestionably difficult problem. There is only one factor of which we are bound to take cognizance. Unions of capitalists and workmen exist in every civilized country throughout the world. They confront one another in menacing attitudes, and that is the difficulty which we have to face. But that very difficulty to my mind suggests its own solution. We can make use of these unions—as is proposed under this Bill—to bring about an improved state of affairs. These very organizations, whilst making industrial conflicts graver and more disastrous to the general community, offer a solution of the evil by means of collective bargaining, under the supervision of a competent Court. In that way a prospect is presented to us of securing a settlement of that industrial strife which menaces to-day almost every civilized country. The system proposed gives more promise of success than any which has hitherto been adopted. Nevertheless, I think it will suffer largely in its ultimate effect from the action both of its friends and its foes. Its foes may defeat it, and thus render it necessary to substitute something very much more stringent in order to insure that industrial peace which we all desire. Its friends may defeat it by asking too much—by proceeding to extremes—and in this connexion I think that there are several members of the Labour Party who are really inclined to go too far. I feel convinced that the legislation of New South Wales in this respect has proceeded too far, and that its effect must be "to kill the goose that lays the golden egg." If any legitimate attempt be made to effect a solution of this very grave problem, it must be approached by both sides in a spirit of compromise. I think we have to consider the legislation proposed in conjunction with political contingencies, and I am of opinion that it is possible for us to go very much too far, especially if such legislation is to be administered by representatives of a mere section of the community. I think that compromise is essential if any successful

effort is to be made to reconcile the differences which exist between capital and labour. Let me take the case of the honorable and learned member for Parkes, who is absent from the House to-day. He is one of the ablest opponents of this Bill. I cite his case because he is one of the best of a class which is opposed to it. He goes to an extreme and conjures up the bogey of capital being affrighted by such legislation and in some mysterious manner leaving Australia. He paints a picture of capitalists packing up their belongings and seeking refuge upon another planet. I hold that that is a mere bogey. The honorable and learned member ought to give some consideration to the absolute condition of things existing to-day in some parts of the world—the condition of a hungry proletariat, incensed because they are not getting their fair share of this world's goods, who as a result are endeavouring to secure remedial legislation of a just character, but who, to attain their ends, will, in the last resort, not hesitate to adopt revolutionary measures or something akin to them. Surely it is better to consider how far we can meet existing difficulties in a spirit of compromise than to defy the terrible situation which may arise if every proposed remedy is resisted.

Mr. DUGALD THOMSON.—We have enacted the principle of one man one vote.

Mr. G. B. EDWARDS.—It is because we have enacted that principle that we shall ultimately succeed in securing this legislation.

Mr. DUGALD THOMSON.—Therefore, there is no need to resort to revolution.

Mr. G. B. EDWARDS.—I hold that it is bad policy to resist the inevitable. The leader of the Opposition once remarked that when he came to a stone wall he got over it if he could, but that if he could not he got under it. If he could not do either, he would lie down beside it. I ask the opponents of this Bill to accommodate themselves to the inevitable, and instead of opposing it tooth and nail, to join with others in effecting a reasonable measure of reform. Many of its opponents constitute the ablest men amongst us. I refer more particularly to the honorable member for North Sydney, and the honorable and learned member for Parkes. I am convinced that if they will endeavour to make this measure a workable one, they will ultimately accomplish more good than they will achieve by blindly opposing it. It has been stated that if the Government are defeated upon the Bill,

we shall have a dissolution of this House and another general election. That sort of threat is frequently used when we are face to face with a difficulty of this character.

Mr. DEAKIN.—Who made that threat?

Mr. G. B. EDWARDS.—I do not know.

Mr. POYNTON.—The press.

Mr. G. B. EDWARDS.—The Prime Minister himself has no excuse for urging a dissolution, because he boldly announced his views to his constituents, not only upon the measure but upon its details. The same remark is applicable to myself. I am not a supporter of all its details, but I certainly favour extending its operation to the railway servants of the States. So far as I am concerned, I see no need whatever for a dissolution, although I do not fear one. I am perfectly willing to return to my constituents, and to stand or fall on the views which I have expressed upon this Bill, but I should be equally prepared to forego my opinions if, by doing so, I could bring about what I consider to be a very much healthier condition of affairs in this Parliament. Prior to the opening of the present session, the statement was made that we required a re-adjustment of parties in this House. From the first moment that I saw the relative strength of those parties I realized that the fiscal issue would have to be buried—at least for a time, and consequently it became more easy to effect a political combination for the good of Australia. I was prepared to hear of some proposals in that direction. To the credit of this Parliament be it said, the Prime Minister has honorably kept the promise which he made to his constituents at Ballarat, that if any coalition were attempted, he would be no party to any secret understanding. He declared that whatever arrangements were made would have to be of an open and public character. The same attitude was taken up by the leader of the Opposition. Upon no occasion has the right honorable member sought to influence the personal views of his supporters upon this particular question. It has been left entirely to the individual judgment of honorable members on both sides of the House. I regret, however, that some solution of the difficulty does not appear to be likely before we reach a stage at which it will be almost impossible to retrace our steps. It seems to me that we are bound now to speak out. There are three members of the present Administration behind whom I would willingly sit,

and, in the interests of good Government, I should like to see those honorable gentlemen associated with three other honorable members—who would have the confidence of the vast majority on both sides of the House—in completing the remaining machinery measures necessary for the complete establishment of the Federation. I should like to see a strong capable Government of that kind dealing with those and the still greater questions of finance, immigration, the control of our rivers, and other matters which demand the best talent that we can secure. It is my desire that this measure should be passed in some shape or other, and I think that it should be possible to give effect to it, at all events in some modified form. It is highly desirable that we should adopt a spirit of compromise if only in order to determine whether a measure of this kind, if applied to the Commonwealth, would be as efficacious as many honorable members believe it would be, or whether it would be the failure that others predict. A question of this kind cannot be decided by reference to what has been done elsewhere. The only way in which to test the effect of a measure of this description is to declare that it shall remain in operation for a period of a few years, and to amend it from time to time, as experience dictates. I believe that this could be more happily and effectually achieved by a strong capable Government, created by some coalition of parties, than by any Government consisting of honorable members of the Labour Party, or of any one party in the House. I have no personal or political antipathy to the Labour Party. As a matter of fact, I coincide with their views to as great an extent as does any honorable member outside the party; but I do not think it would be to the best interests of Australia to leave the control of its affairs in the hands of the representatives of a mere section of the people. Perhaps the only way to secure an adequate solution of the problem with which we are confronted would be to allow our honorable friends of the Labour Party an opportunity to form an Administration. If that were done it might lead to that coalition of parties, which we all appear to desire, but are apparently unable to accomplish. It may be asked, what have I done towards bringing about such a coalition. It is not given, however, to the mere satellites of political life to bring about a readjustment of party relations. The readjustment must come from the fixed stars

and the suns of the system. Since they have failed us in this instance we have to submit to the existing conditions, and to endeavour, while awaiting the result, whatever it may be, of the present position, to carry out our own individual principles. I am in favour of this measure, and I also favour such an amendment of it as will bring the railway employes under its operation. A Bill of this kind that did not extend to the employes of the great railway services throughout the States would not be a measure of Federal arbitration, and would fail to meet the greatest demand likely to be made upon such legislation. I am convinced, as an ordinary layman, that we should not exceed our constitutional power if we extended the operation of the Bill to those employes. Lawyers differ on this point. The Prime Minister himself does not seem to be very emphatic in the view that the railway servants of the States cannot be brought under the operation of this measure.

Mr. DEAKIN.—I am positive on the point.

Mr. G. B. EDWARDS.—All I can say is that the honorable and learned gentleman, in the two speeches which he has made on this question, has failed to convince me that he entertains a positive opinion on the point. He appeared to take up the ground that such an extension of the scope of the Bill would be unconstitutional, and that, if it were not, even as a matter of expediency, it would be unwise to avail ourselves of the full extent of our powers in this direction. One approaches with bated breath a question of legal interpretation, such as that with which I propose to deal later on; but I feel satisfied that we have this power. If we do not possess it, why should we seek in this Bill to expressly exclude the railway servants of the States from its operation? It is a matter for regret that it has been impossible to approach the consideration of this question with a stronger and more capable Government in power—a Government better able to carry out legislation in the direction which they think desirable—than is the present Administration. After the general elections we had an opportunity to secure such a Government—one that might have passed this measure in some form, as well as many other Bills which would promote the ultimate good of the Commonwealth. Instead of availing ourselves of that opportunity, however, we find that we have a Government which, instead

of taking the initiative, and endeavouring to remove the entanglement due to the conflicting interests of parties, is simply waiting the ultimate outcome of the resulting difficulty. If an arrangement such as I have suggested had been brought about, I should have been prepared, if necessary, to give up my own convictions as to bringing the railway employes of the States within the provisions of this Bill. As a matter of fact, I informed some of my own friends of my willingness to do so. Some honorable members have much to say of consistency, but in many cases an absurd view is taken of that virtue. Consistency after all is only consistency to principle. One may have two principles which are dear to him, and in certain circumstances it may be necessary for him to decide which of those is dearest to his heart, and, perhaps, nearest to his honour. Although convinced that the railway employes of the States should be brought within the scope of this measure, I do not say that it should apply to all public servants. Such an amendment would include a class of professional men that we do not intend to bring under the Bill if they are outside the service. A difficulty among the railway men of the States, however, would be the most disastrous of any that we could face, and they ought not, therefore, to be omitted from this measure. A Federal Arbitration Bill which took no cognizance of the railway employes of the States would be like the play of Hamlet with the Prince of Denmark and all his family, so to speak, left out. Why should we ignore the railway employes? They play a most important part in the operations of the States, and if they went to extremes might play a disastrous part. Nevertheless, if a coalition such as I have mentioned could have been brought about I should have been prepared if necessary to give up my desire to see them brought within this Bill. In that event I should have felt myself impelled to resign my seat, and to appeal to my constituents to indorse my action, inasmuch as at the last elections I told them that I should vote for the inclusion of the State railway servants in the Conciliation and Arbitration Bill. If it had been considered necessary to secure a strong Government to carry on the affairs of this nation, which is as yet in its childhood, I should have been prepared to sacrifice my own views in this respect. But we have had no proposal in that direction.

Mr. G. B. Edwards.

We are face to face with the fact that we must proceed with the consideration of the Bill under existing circumstances, and that we are called upon to give expression to our individual opinions, and I, for one, intend to adhere to my original view that the railway employes of the States should be brought under the operation of the measure. This measure departs but slightly from the Bill introduced last session, and the difficulty which I have experienced in dealing with both of them is that no concise declaration has been given either by the Prime Minister or by any other member of the Government, of what will be the precise effect of such a measure. We know that under the Constitution we cannot deal with any dispute that does not extend beyond the limits of any one State. Yet this Bill contains all the machinery provisions that would be necessary if the Constitution declared in plain unmistakable terms that we had the sole right to legislate for the settlement of all industrial disputes. The Prime Minister has not addressed himself, either in this House or outside of it, to the question of how far these machinery provisions are to be employed, and to what extent it is proposed to put them in operation. The honorable and learned gentleman is somewhat chary of interfering with States rights, so far as the railway employes or other public servants are concerned. But he has not had much to say of the infringement of State rights, so far as private enterprise is concerned. Although, by interjection and otherwise, we have asked for an explanation of the object of all these machinery provisions, the honorable and learned gentleman has made no response. It is plain that the Bill has been framed, as was stated by a member of the Government, or some prominent member of the House, in the hope that at some future period we shall be given power by the States to exercise all possible jurisdiction for the settlement of disputes between employer and employed. We do not know how far the present Administration intend to set these machinery provisions in motion, but the fact remains that they will be available for interference in every possible way with States rights. Before I consent to the Bill coming out of committee, I shall endeavour to obtain a rigid expression of the intention of the Prime Minister as to the extent to which this machinery will operate, and as to at what stages of a dispute it is to be used. It seems to me an attempt to grasp the

whole power of settling disputes, and a more violent invasion of State rights than the inclusion of State servants. Not one petition or remonstrance of the many which have been addressed to us, from all parts of Australia, objects to the inclusion of railway men; but members of Chambers of Commerce, of Chambers of Manufactures, and employers generally, object to the attempt which is being made to enable the Commonwealth to interfere for the settlement of every industrial dispute throughout the length and breadth of the land. It is only in regard to this matter that the people are alive to the threatened invasion of State rights. Here and there a prominent politician, in a State Parliament, may have expressed indignation at the proposal to include State servants in the Bill, but the great mass of the people have taken no notice of that proposal, and have confined their remonstrances to the effort of the Government to bring the most trumpety disputes within the jurisdiction of the Commonwealth Court. It may be an open question whether to apply the provisions of the Bill to State servants would be an invasion of State rights; but this other violation of the constitutional rights of the States is disgraceful, and cannot be disguised. I have heard the Prime Minister make many magnificent speeches, but two of the very best were those which he made on the second reading of the previous Bill, and in moving the second reading of this Bill. His first speech was better than one could have expected even from him, and what I chiefly admired in both was his whole-souled sympathy with the labouring classes, and his desire that they should obtain their fair share of the results of their labours. His illustration of the private duello, and the need for restricting similar action on the part of organized bands of industry, was, I think, one of the best efforts of the kind we have had in this Chamber. Like him, I am a most loyal adherent of the Constitution. I feel that we must imbue our children with loyalty to it, and I am pleased to see statesmen like the honorable and learned gentleman ready to resist any attempt to violate it. It seems to me, however, that in connexion with this measure the Prime Minister has strained at a gnat while swallowing a camel. He is ready to resist the violation of State rights implied by the inclusion of State servants in the Bill—though I do not think that that would be

a violation—but he had nothing to say against the still more serious violation to which I refer.

Mr. ROBINSON.—The Bill is a bad one all through.

Mr. G. B. EDWARDS.—I do not think so. The title of it, at all events, is good. So are some of the definitions, and many of its provisions; and I hope that in committee we shall make it a good measure. If it be unconstitutional to apply the provisions of the Bill to State servants, why has the Prime Minister specifically excluded them from its operation? If the Constitution excludes them, why make any reference to them at all? Why not leave it to the High Court to say whether they are or are not included? If we were content to pass a law providing for the settlement of disputes between employers and employes, and a dispute arose between the Government of a State and some of its employes, the High Court would have to decide whether the suit could be entertained.

Mr. KELLY.—Is it federally expedient to apply the provisions of the Bill to State servants?

Mr. G. B. EDWARDS.—I am not now dealing with the question of expediency. I am dealing with absolute facts.

Mr. DUGALD THOMSON.—We have to decide whether it is expedient.

Mr. G. B. EDWARDS.—The Prime Minister, at all events, is not in that position. He believes that it is unconstitutional to attempt to apply these provisions to State servants, and he should therefore have made no reference to them in the Bill.

Mr. DEAKIN.—Does not the honorable member recollect the circumstances under which the Bill was drafted?

Mr. G. B. EDWARDS.—Whatever the circumstances under which the original Bill was drafted, it was the duty of the Prime Minister to see that this measure embodied his own fixed opinions.

Mr. DEAKIN.—So it does.

Mr. G. B. EDWARDS.—In that case, the honorable and learned gentleman has no fixed opinions, because he proposes to exclude from the operation of the Bill a set of persons to whom he says its provisions cannot apply.

Mr. DEAKIN.—The honorable member is ignoring the circumstances under which the Bill was framed.

Mr. G. B. EDWARDS.—The original draft contained no provision excluding State servants. A copy was obtained by

the *Age*, by means of a petty larceny, or in some manner which was not quite straightforward, and the summary of its provisions, printed next morning, contained no reference to State servants.

Mr. ROBINSON.—That fact does not prove that there was no reference in the draft to State servants.

Mr. G. B. EDWARDS.—I was connected with the press for fourteen years, and I know that a salient feature such as I refer to would not be lost sight of.

Mr. DEAKIN.—The Minister then in charge of the Bill gave a copy of it to a reporter of the *Age*. What occurred was due to a misunderstanding.

Mr. G. B. EDWARDS.—There was a breach of honour somewhere. When Mr. Irvine was interviewed on the subject he was in a state of some hesitation; but if it had been proposed to include State servants we know that he would have had nothing to do with such a proposal. The Prime Minister says that it would be absolutely unconstitutional to include State servants in the Bill, and yet he has inserted a provision which specifically excludes them.

Mr. DEAKIN.—The honorable member forgets that the right honorable gentleman who shortly afterwards left the Cabinet held the opinion that if there were no reference to State servants they would be included. I differed from him. I said that if there were no reference they would be excluded. The provision inserted in the Bill was adopted to meet the views of my colleague, and to place the matter beyond all doubt.

Mr. G. B. EDWARDS.—I am in accord with the right honorable member for Adelaide. I think that if no reference were made to State servants the provisions of the Bill would extend to them. There is the suspicion afloat, however, that the subsequent revision of the Bill was an instance, if not of panic legislation, of panic draftsmanship. If a certain event had not occurred in Victoria we might not have heard of this exemption clause. The honorable member for Richmond last night referred a good deal to English history, and particularly to the history of the Revolution. When he was speaking the recollection crossed my memory that after the Revolution they adopted in England the Bill of Rights, and in Scotland the Claim of Rights. According to the best English lawyers, the institution of torture was always illegal in England, and consequently there was no need to deal with it in the Bill of Rights; but, as the best Scotch lawyers considered it to be

legal in Scotland, it was thought that it should be dealt with in the Claim of Rights. However, while the matter was under consideration, Lord Advocate Lockhart was murdered under circumstances of considerable atrocity, and that occurrence determined those who were dealing with the matter that the right to torture should be maintained. They decided an abstract proposition wholly because of particular circumstances brought under their purview at the time. They refused to abolish torture because at that particular juncture they wished to use the right to torture. That was an instance of panic legislation; and, similarly, I think that the Victorian strike had to do with the drafting of this Bill in regard to the control of State employes. It seems to me that it had a great deal to do with the proposal made here to positively exclude them. I do not for a moment doubt our power under the Constitution to do so; but I wish to leave the whole question open, and await the considered decision of the very able gentlemen who adorn the High Court Bench. In dealing with the question whether States employes, particularly railway servants, could be brought within the scope of our powers under the Constitution, I would point out that section 51 gives us the power to make laws for the peace, order, and good government of the Commonwealth. Nothing has a more important bearing upon the maintenance of peace, order, and good government in Australia than the vast network of railways in each of the States. The peace, order, and good government of the Commonwealth is very largely dependent upon the relations which exist between the railway employes and the Commissioners. On dissecting this important section, we find that by sub-section 1, trade and commerce between the States is brought under our supreme control. Under sub-section II. we have power to deal with taxation. A question has been raised as to whether we could tax States imports. I believe that that point is now being submitted for the decision of the High Court, but I have always entertained the view that it is absolutely essential that we should have the power to tax States imports, and I see nothing in the Constitution to the contrary. This power is clearly necessary for the protection of other States. There is no distinct provision to this effect in the Constitution, and the power is conferred only by inference. In connexion with the power of taxation, we have the right to levy

excise duties on spirits and other commodities manufactured within the Commonwealth. Should we have power to tax the products of a State distillery or of a State tobacco manufactory? I say clearly we should have such power. It is not given to us in express terms, but it is conferred by inference. We find that under section 91 of the Constitution we have power to grant bounties. Could we give bounties to a State Government? Do we make any distinction between a State Government and an individual? It has actually been proposed in this House to give a bounty to a State Government in connexion with the production of iron. Then, again, sub-section XIII. of section 51 confers powers upon us to deal with banking other than State banking, and also with State banking which extends beyond the limits of the State concerned. We are not to interfere with State banking when it does not extend beyond the limits of the State concerned. That is also the only limitation to our powers in connexion with conciliation and arbitration. As long as a dispute is kept within a State we cannot interfere. It is only when it extends beyond the limits of a State that this Parliament has power to step in and deal with it. In regard to banking and insurance, we can interfere the moment that the business of any State in these matters extends beyond its own border, and in the same way we can step in under sub-section XXXV., which confers upon us the power to create tribunals for the prevention and settlement of industrial disputes extending beyond the limits of any one State. It has been stated, notably by the honorable and learned member for Bendigo, who, together with Mr. Theodore Fink, has contributed a long opinion to one of the Melbourne newspapers, that we cannot interfere between the State and its employés, because if the Arbitration Court raised the wages of the State employés the State Parliament might refuse to make the necessary provision. Passing by, for the moment, the assumption that wages would be raised in every case, and noting that the Court will deal with many questions besides that of wages, I would ask if there are not many difficulties precisely similar to those indicated by the honorable and learned member for Bendigo and Mr. Fink with reference to other Federal institutions, in connexion with which the power of the Federal authorities is unquestioned. Take the High Court itself. That Court might decide in

its appellate jurisdiction against the verdict of a State Court, that the State should pay £100,000 as compensation to persons injured through some accident upon the railways arising from defective mechanism or gross carelessness. Can it be contended for a moment that the State would refuse to make the necessary provision to comply with the decision of the High Court? Take the case of banking or insurance. Suppose a State entered into banking or insurance business, and extended its operations beyond its own borders, and thereby opened the way for the exercise of the undoubted power of this Parliament to impose regulations, would the State authorities resist a provision by us that certain securities should be deposited with the Federal Government? We can see that the decisions of institutions created by the Federal Parliament might be at variance with those of somewhat similar institutions created by the States Parliaments, and that if the latter were disposed to go to extremes they might resist the Federal authority. We do not, however, for a moment apprehend that such a position of affairs would ever come about. The same people who created the machinery in one case would be called upon in the other case to find the funds necessary to comply with the authority exercised through that machinery. I do not see how any difficulty could arise, unless we take a view that is not warranted by anything we know of English communities under free institutions. If a rigid interpretation is to be placed upon the Constitution, I would invite the attention of honorable and learned members to section 98, which gives power to the Parliament to make laws relating to trade and commerce, extending to navigation and shipping, and to the railways the property of any State. That is very definite, but would it not also apply to private railways? Most decidedly. They are not mentioned, but that fact does not exempt them from the operation of the section. Would not the power of the Federal authorities also apply to States shipping? Suppose a State entered into the shipping business for the purpose of competing with private firms. Does any one suppose that, under our Inter-State Commission we could not submit State-owned ships to exactly the same conditions that we imposed upon private ships? In the same way is it to be for one moment imagined that we could not impose the same obligations on private railways that were intended to apply

to State railways? Yet, if we were to rigidly interpret that section, as some honorable members appear inclined to treat the sub-section relating to conciliation and arbitration, we should be forced by a parity of reasoning to exclude private railways and States ships from the operation of the Federal authority. Then, again, take the case of the Swiss cantons, and the provision made for education under the Swiss Constitution where the Federal Parliament has provided for an excellent system of compulsory education, and the cantons are called upon to find the funds to carry it out. The system may be extended and rendered more expensive from time to time, and yet because of the good sense of the community there is no friction. The Prime Minister said that the case of Switzerland was not on all fours with our own. Nor is it. But we have to remember that ever since its establishment the Swiss Federation has been moving more and more in the direction of our Constitution. Yet in regard to the question not only of education, but of the maintenance of roads and several minor matters, the Swiss people have experienced no difficulty whatever as the result of allowing the National Legislature to enact laws for the administration of which the Governments of the Cantons are obliged to find the money. In my judgment, what we need is a measure dealing upon broad general lines with disputes which are likely to pass beyond the limits of any one State. At the same time, our legislation should not embrace minute details such as are dealt with by State laws. If a dispute be of a Commonwealth character, it necessarily follows that it can have little to do with those minute details which occupy so much time in our State Arbitration Courts, leading to a congestion of business, and preventing the unions from obtaining those speedy decisions upon the main issues involved upon which the success of this class of legislation largely depends. If we could obtain an Act which is capable of dealing chiefly with the broad questions involved in wages—because the matter of holidays may be settled by local custom or by State legislation—I hold that we should secure advantageous legislation, because it could be applied to large disputes, such as maritime, railway, or shearers' disputes, all of which we know, from experience, are likely to recur sooner or later. It is for these disputes that we should prepare, and not for the minor

troubles to which certain portions of the Bill refer. There are one or two other matters to which I desire to direct attention. In the first place, I observe that the title of the Bill has been altered. That seems to me an admission of the existence of some of the difficulties which I have already endeavoured to point out. When the Bill was under consideration in Committee last year, the present Prime Minister proposed to amend clause 3, so as to make its wording harmonize exactly with the paragraph in the Constitution which has reference to this question. At the time I could not help remarking that his action was probably taken with a view to obtaining the decision of the High Court as to the powers which we possess in regard to this legislation. I pointed out that it would be far better to adopt the phraseology of the Constitution itself in the title of the Bill. That suggestion, I am pleased to note, has now been acted upon. I think that it is wise to test our constitutional powers upon the very title of the measure. We shall then know exactly where we stand. Concerning the details of the measure, I have previously stated that in my opinion we are committing a mistake in refusing to appoint permanent Justices to the Arbitration Court. It is urged that we require to have Justices who are skilled in the special matters which will be submitted for their consideration. But experience has taught us that it is utterly impossible to obtain the services of Justices who will be skilled in all matters which come before an Arbitration Court. To my mind it is wrong to appoint two gentlemen, who are simply the nominees of the rival parties to any dispute. If a similar system were adopted in other Courts, chaos would be created immediately. In those Courts matters of even weightier import than those which will occupy the attention of the Arbitration Court are decided. Some of our mining courts have to determine questions which involve larger sums of money than those which will be affected by the decisions of the Arbitration Court. Personally, I am of the opinion that it would be wise to appoint three Justices to settle disputes under this Bill. The idea that it is necessary to have Judges who are possessed of special knowledge is an erroneous one. The proper place for an expert is the witness-box. It has been stated that Mr. Justice Cohen and some

members of the Arbitration Court in New South Wales have complained that they could not follow the intricacies of certain cases which came before them. But I would point out that it is no new experience to find Justices in other Courts admitting, in exceptional cases, that they have been confronted by a difficulty from an absence of technical knowledge. In such circumstances, they have to obtain the best assistance available from experts in the witness-box. We have to recognise, too, that beyond the contending parties to disputes, the public are largely interested in their settlement. The three Judges should represent the State just as much as do Judges in cases of civil or criminal jurisprudence. I hold in my hand the report of a statement made by Mr. W. D. Cruickshank in regard to his position as a member of the Arbitration Court in New South Wales. The extract is taken from the *Sydney Morning Herald*, of 19th January last. It reads—

Mr. W. D. Cruickshank, employers' representative in the Arbitration Court, attended the last meeting of the Council of the Employers' Federation, and made a statement in reference to the general principles by which he is guided in adjudicating upon arbitration matters. The President, Mr. H. Hudson, in introducing Mr. Cruickshank, said that Mr. Smith, the representative of the employés, made it appear by his actions that he and Mr. Cruickshank sat only as advocates for the parties they represented. Therefore, it was suggested that the employers' case was prejudiced, as Mr. Cruickshank was unacquainted with the circumstances before they came before him as a Judge. Other members of the Council said that some of the employers felt it would be in their interests if Mr. Cruickshank would follow more the lines of Mr. Smith, as they thought he sat there not as a Judge, but as an advocate. It was also thought that it would be desirable for Mr. Cruickshank to be approachable for advice by employers, as Mr. Smith was for the employés. It was also stated that if certain matters had been brought before Mr. Cruickshank prior to the hearing by the Court, the award might have been different. In reply to these remarks, Mr. Cruickshank made an unequivocal declaration of policy. He said that the importance of being "in continuous touch" and being "posted up" was very much over-rated. In fact, he was quite satisfied, in his own mind, that any and all such posting up would be of very fractional and doubtful advantage, because employers' counsel, from his experience and training—if properly instructed—could, and no doubt would, put all the points before the Court much better than he could, and the sworn evidence must of necessity be the principal factor in determining any award.

I think that Mr. Cruickshank's opinion did him honour. It will be seen, from the above extract, that the opinion exists

amongst the organizations of labour and capital, that their nominees upon the Bench are really advocates. That being the case, it should be pointed out that wherever there is room for a difference of opinion, the case is decided by the Judge. In such circumstances, I hold that we are wasting money in appointing these two additional men to the Bench. If any case is so intricate as to require the possession of special knowledge, that knowledge should be supplied through the medium of the witness-box. I do not think that any legislation of the character proposed has gone far enough in the direction of ascertaining how much can be achieved by means of conciliation. Some of our State Acts provide for the reference of industrial disputes to arbitration alone, and others for their reference to a Conciliation Board in the first instance. In the latter case, conciliation fails utterly. In the New South Wales Act—and it is likely to be the case under this Bill—the arrangements made for bringing conciliatory methods to bear upon industrial disputes have practically no effect whatever. Up to the present time comparatively little has been done by means of conciliation. It seems to me that the chief hope engendered by legislation of this character has been admirably summed up by a writer in the *Argus*, who says—

No Court, whether voluntary or compulsory, is to be considered successful unless it promotes the preliminary settlement of disputes by friendly meeting around a common table. The smaller the number of cases which come up for arbitration, because they cannot be settled by conciliation, the greater is the success of the Court. The business of the whole machinery of industrial conciliation must be preventive rather than curative.

In this Bill no provision is made to induce conciliation in case of industrial disputes. I hold that we can induce conciliation if we can compel it by making use of the self-interests of the parties to disputes. In Committee I intend to submit a proposal having for its object the bringing about of a settlement of a larger number of industrial troubles by means of conciliation, and thus avoiding what I regard as the chief blot upon the New South Wales Act, namely, "the splitting" of differences. It is a principle, which in my opinion is fraught with great injustice. It allows questions to be settled in a haphazard fashion, and is one which would not be recognised in any ordinary Court of law. I feel that I may safely appeal to the lawyers

of this House to support my statement, that the system of "splitting differences," which has been adopted to a large extent by Arbitration Courts, would not be countenanced in any other tribunal. A case is brought before the Court, in which the men demand for example, 11s. per day, while the masters offer only 10s. After wasting a great deal of time in hearing evidence, the Court settles the dispute by fixing the wage at 10s. 6d. per day. The effect of this system must be that the workers on the one hand will recognise that, if they fail to ask for a sufficiently high wage, they will be awarded a rate of pay less than they expect to receive, while the employers on the other hand will feel that if they do not make a sufficiently low offer, they will be called upon to pay more than they would otherwise be required to do. The result of the system is that parties are forced wider and wider apart. If we could introduce the principle of equity we ought to do so. On one occasion, a comrade and I were in the bush, and our supplies were reduced to a very small piece of bread. We had had nothing to eat for ten hours, and my comrade, turning to me, said—"I will halve the bread, and you may choose." I have held the opinion ever since then that that was the most absolutely equitable method of division that could have been devised. The nicety with which my friend divided the bread really left no advantage to be gained by making a choice. It seems to me that if we could bring a principle of that kind to bear under our Arbitration law we should effect much good. I consulted the right honorable member for Adelaide, whose absence I am sure we all regret, in reference to my desire that we should embody a principle of this kind in the Bill. He agreed that it was worthy of consideration, and assisted me in drafting an amendment which at a later stage I shall place before the House. The amendment embraces to a considerable extent the principle I have named, and I desire that it shall be ventilated at this stage. If it were brought into operation it would materially reduce the work which must otherwise flow to the Arbitration Court; it would also avoid such a congestion of business as now exists in the New Zealand and New South Wales courts. My proposal is, in effect, that the workmen on the one side and the masters on the other should come together in the conciliation stage of the proceedings provided for in this Bill, and that after they had fully discussed the points at

issue they should be called upon, if unable to arrive at a satisfactory settlement of their differences, to place on the records of the Court the last offer made by the masters and the latest demand made by the men. That record should be under the control of the registrar or the president of the Court, and they should be able, if necessary, to return it to the parties, in order to clear up any ambiguity in the language employed. The question at issue might relate not only to the rate of wages, but to holidays, overtime, the supply of tools, and other matters, and each party should be required to make a final offer in regard to every point at issue. When the dispute had passed on to the Arbitration Court, the Judge, after hearing all the evidence, would say, unless he saw some strong reason for departing from this principle—"On points A, B, C, and D, the offer of the masters, or the demand of the men, should be conceded, and nothing else." In this way we should bring the parties so closely together in the conciliation stage of the proceedings that they would hasten to settle their differences. After giving the matter much consideration, it appears to me that it is only by some such means as these that we shall be able to induce conciliation, and so avoid the immense amount of work which must otherwise be thrown on the Court. The principle which I have outlined is not altogether new to jurisprudence. It is that underlying the old law of the Athenian democracy. We know that they had a system by which a person who instituted proceedings before the jury or dycastery was called upon to name the penalty to be imposed. The defendant had an opportunity to name some other penalty; and, in the event of his conviction, the jury had to determine which of these two penalties should be imposed. It will readily be recognised that, in a state of society such as that of the old Grecian democracies, it was necessary to have some such power to prevent political animosity being pressed to extremes, and the persecution of men even to the death. We see the operation of this law in the historic trial of Socrates. Socrates was charged by Miletus, the poet, Anytus, the tanner, and Lycon, the orator, with denying the gods of Athens, and corrupting the youth. The charge was brought before the dycastery, and these three citizens were constituted the public prosecutors. In those days they did not have regular public prosecutors. No statutory penalties for crimes of this kind

—and they were regarded as crimes—extended. Socrates had three courses open to him. He could plead guilty and throw himself on the mercy of the court by naming a lower penalty, he could plead—"I am not guilty, but even if I am, the penalty named is excessive for such an offence"; or he could plead "not guilty," and rely upon obtaining acquittal. As we all know, he was found guilty, and in a contemptuous spirit proposed an alternative fine of one mina. His friends, fearing that he would be put to death for making so contemptuous an offer, expressed a readiness to pay thirty minas. Even that penalty, however, was considered insufficient, and Socrates went to the cup of hemlock. This principle, although now out of date, possesses features of which use might be made in our Arbitration Courts, and which would certainly reduce the number of cases now being brought forward. The business of both the New Zealand and the New South Wales Courts is in a most congested state, and this has an irritating effect on all parties. If we laid down some principle on the lines which I have suggested, we should be able to induce conciliation, and do away with the excessive demands and unreasonable offers that we see, from time to time, in connexion with cases that now come before the States Courts. The less friction we have in the working of our Arbitration Court, and the speedier and the more just the decisions of the Court the better. Let us, then, endeavour to secure these desirable ends, and pass a piece of legislation which will set a good example to the States.

Mr. KNOX (Kooyong).—It is not my intention to make a lengthy speech, or to traverse the ground which I covered when dealing with the Conciliation and Arbitration Bill introduced last session. I, with other honorable members, have listened with pleasure to the remarks by the honorable member who has just resumed his seat, and who always supplies the House with much food for thought. His speeches invariably give evidence of careful inquiry, and exhibit a degree of research that deserves our warmest commendation. I heartily concur with the opinion which the honorable member has expressed on many details of this Bill, and agree with him that the machinery provisions are too involved to deal with the issues that are likely to be submitted to the decision of a Commonwealth Court of Arbitration. The honorable member has

referred to the possibility of bringing about a system of barter or compromise between the parties to a dispute; but I do not consider that it would be successful in practice. Nothing has occurred since the Conciliation and Arbitration Bill was before us last session to make legislation of this kind more acceptable to those who on that occasion opposed it; on the contrary, those who then expressed themselves in favour of the principle must recognise that the establishment of the New South Wales Court has led to considerable irritation and much conflict of opinion between employers and employed. Some of the decisions of that Court have not been received with complete satisfaction by either side, and certainly, in one or two cases, they have not been satisfactory to the workers. The experience of New Zealand is that legislation of this description must be amended from time to time. Year after year amending acts have been passed by the Legislature of the Colony.

Mr. WATKINS.—The sooner we begin our experiments the sooner shall we reach perfection.

Mr. KNOX.—We are building up something which is altogether unnecessary. The Government manifestly expect that a very large amount of business for the Arbitration Court will be created by the Bill. This measure is being foisted upon the Commonwealth heedless of the fact that it will cause great irritation, and bring about industrial trouble in all the States. The Prime Minister has qualified his previous views as to the class of disputes which could be brought within the jurisdiction of the Commonwealth Court. He has admitted, and I think it is now generally held, that a merely sympathetic dispute would not justify Commonwealth interference. Before the Commonwealth Court can take action, a dispute must occur in one State, and a dispute similar in all particulars occur in another State. It is manifest that under those circumstances there might be a serious conflict between the decisions of States Courts and the decisions of the Commonwealth Court, and a serious interference with States rights and policy. But the modification of the Prime Minister makes an elaborate measure unnecessary. Every honorable member who heard it—whether he does or does not agree with the views expressed—must admit that the Prime Minister gave us a most eloquent address when moving the second reading. He stated, however, that there is an urgent and burning

need for this legislation. I hope to show that there is no such need. I have found upon inquiry from honorable members who are deeply interested in the passing of this legislation, that there are only three large industrial organizations which in the near future may be affected by its operation—the seamen, the shearers, and the water-side workers.

Mr. DEAKIN.—Not the miners?

Mr. KNOX.—No; I think there is no prospect of the miners coming under its operation. It is only in connexion with disputes occurring in both Victoria and Tasmania, where the Amalgamated Miners' Association operates, that the mining industry might be involved.

Mr. WATKINS.—There may be another miners' confederation.

Mr. KNOX.—I hope that the Bill is a measure, not for the creation of difficulties, but for the ending of those which exist. The honorable member for Darling has disabused my mind in regard to the recent conferences of shearing organizations which took place in Melbourne. I understand that only Victoria was affected.

Mr. POYNON.—In New South Wales the pastoralists would not meet the men.

Mr. KNOX.—I understand that that was due to the operation of the New South Wales Conciliation and Arbitration Act. In Victoria and Queensland the shearers and pastoralists have voluntarily come to an amicable arrangement.

Mr. SPENCE.—Only in Victoria.

Mr. KNOX.—In Victoria an amicable arrangement has been brought about without this elaborate legislation, and, therefore, there is no urgent and burning need for it, so far as the shearers are concerned. I think there is also no need for it so far as the seamen are concerned. I have made it my business to ascertain, from those who know, what is going on in regard to shipping matters, and I understand that there is at present in existence an agreement between the seamen and ship-owners, which is working satisfactorily, and is terminable on the giving of six months' notice. It seems to me that, when that agreement is terminated, there will be another voluntary agreement arrived at. I am not in a position to say what the position of the water-side workers is, but they have not made any demand for the creation of a Commonwealth tribunal to settle their disputes. So, in regards to neither the shearers, the seamen, nor the water-side workers is there any burning necessity for

the Bill. Thus we are driven to the position that what is proposed is a complicated piece of machinery which is uncalled for, and at the present time unnecessary. I hold, and the honorable member for South Sydney occupied the same ground, that the machinery provided for in the Bill is wholly disproportionate to the necessities of the present and the probable necessities of the future. I had to take a part in some of the larger strikes which have occurred in the past, and have a full knowledge of the distress and suffering which they caused, and I am, therefore, of opinion that it is desirable to have some means for compulsorily settling strikes and locks-out where voluntary methods have failed. A Court might be appointed consisting of a Judge and a representative of each of the parties to the dispute, and the Commonwealth Cabinet might justly intervene when it felt that the public interest and welfare demanded interference, and compel disputants who would not voluntarily come to terms to submit their case to adjudication.

Mr. POYNTON.—Then the honorable member differs from us only in degree, not in principle. What he proposes is compulsory arbitration.

Mr. KNOX.—I am aware that ultimately, when other methods fail, compulsory arbitration must be resorted to. But any dispute in which any of the three organizations to which I have referred is concerned must be a very large one, and each I submit would be sufficient to engage attention on its own merits. It is not necessary to create machinery to deal with an immense number of trivial and small disputes. For instance, in my judgment, the principle of the common rule should not apply in regard to Commonwealth disputes. Each dispute should be dealt with on its merits, putting other matters aside. Why should the Commonwealth legislate for matters which can be dealt with by the States? There is a considerable difference between disputes which could be naturally dealt with under a State Act, and those which could be fittingly brought within the jurisdiction of a Federal tribunal. An effort is being made by the Government to introduce the most complex machinery, and an invitation is issued to disputants to bring the most trivial questions before the Commonwealth Court. Surely this is not desirable. The Commonwealth jurisdiction should not apply to any disputes except those of a far-reaching character, which involve large interests. All small matters might be very well left to

the State tribunals. The country is waiting for us to enter the fighting ground upon which we shall have to decide who is to rule this country. I am sure that honorable members must have been gratified to hear the Prime Minister say that so far as the Government were concerned everything would be done straightforwardly. If a coalition is to be brought about I hope that it will assume the character of a straight-out combination of the forces on both sides of the House, and that everything will be done in the full light of day. Such a coalition would be very desirable, and might very easily be effected. The electors are entitled to call upon us to determine the question as to who is to control the Legislature of the Commonwealth. If the Labour Party are to carry through legislation of the character now before us, just as they may desire, by all means let them occupy the Treasury benches, and the sooner the better. The country wishes to know what our intentions are, and, therefore, I feel that I shall best conserve the interests of the community by refraining from protracting this debate.

Mr. HIGGINS (Northern Melbourne).—I think that honorable members in all parts of the House must regret extremely the absence of that great and strenuous politician who has so prominently identified himself with measures of this nature for some years past.

HONORABLE MEMBERS.—Hear, hear.

Mr. HIGGINS.—I feel sure that we should all welcome his aid and his guidance in this matter. This measure constituted the chief plank in the platform of the Government at the last election, and was also included in their programme at the previous election. The country has pronounced with no uncertain sound its verdict in favour of the Bill; and that party which has been most strongly identified with the advocacy of conciliation and arbitration has been returned with increased strength. In spite of this, however, some honorable members persist in treating the proposal for conciliation and arbitration as if it were a foul-minded ogre, which was seeking to devour our industries and injure our people. Yet our experience in Australia shows that wherever the Arbitration Court is, there is peace—more peace at all events than there was before. The principle of compulsory arbitration has been accepted on the understanding that almost any peace is better than war. Those who oppose the Bill seem to lack memory or imagination,

and to be unable to realize the facts disclosed by the telegrams which reach us almost daily, relating to industrial struggles in the great countries of the world, which are causing pain to the workers, and terrible loss to the employers, which are devastating homes and inflicting injury upon the communities in which they occur. At the same time, I quite recognise that a measure of this kind should be closely criticised, because we are sailing in an unknown, or at least an uncharted sea. We do not know where the sunken rocks are, and we have nothing to guide us in avoiding the dangers which beset our course. The Arbitration Court, which it is proposed to erect, will be of an exceptional character. It will not have to interpret and apply definite and express laws, but will practically have to direct and conduct living industries. Difficult as is the work of the Courts under ordinary circumstances in interpreting and applying the law, I say without hesitation that the difficulty of conducting industries is far and away greater. I do not intend to inflict a long second-reading speech upon the House; but I feel that this Bill forms part of a system of legislation based upon the feeling that if human life is to be used for the purpose of profit it must not be used to its degradation; that after all it is our duty, as far as we can, in view of the fact that human life is the most valuable asset of any country, to see that that life, if used for the purposes of gain, is not so employed that the health and vitality of the community are lowered. This is one of the measures designed to take the weight off the delicate fibre of human life and impose the stress upon inventions and appliances—to put weight upon dead and lifeless matter, and to as far as possible protect the vitality of the people. It is satisfactory to the supporters of the measure to be able to challenge its bitterest opponents to point to any authentic instance of injury having been done to any industry in these States by any legislation of this character. Stress has been laid upon the fact that in America and the United Kingdom the working classes have deprecated the adoption of compulsory arbitration. The votes of the unionists have undoubtedly been given against compulsory arbitration in the past; but so far as I have been able to gather a great revulsion of feeling is taking place in America and England in regard to this matter. The reason is clear to my mind. This change in the attitude of the workers is not the

result merely of what is known as the *Taff Vale* case, but is the outcome of a still more extraordinary series of decisions by the foremost Judges of England—and presumably also of America—which has, in effect, deprived the unions of the right to strike or to organize for the purpose of striking. It has been decided that it is an actionable offence, and perhaps a crime, for a number of men to unite in abstaining from accepting employment themselves, or in persuading others to do so, with a view to enforce their demands for higher wages or for better conditions of employment. The result has been that the weapon of strike, upon which the unions so long relied for protection, has been taken from them. They cannot be regarded as acting legally in these matters if the decisions of the Courts hold good. In the *Taff Vale* case it was decided that the funds of the unions may be applied to the payment of any penalties imposed for offences committed by the unionists as such.

Mr. MAUGER.—The American Courts have gone still further, and have decided that the furniture of the individual members of the unions can be levied upon.

Mr. HIGGINS.—As to the Bill itself, the general framework is good, but in many respects the details have not been sufficiently examined. Perhaps, therefore, I may be pardoned if I refer to some of the clauses, with a view to stimulate a little inquiry before we reach the Committee stage. There are two clauses which, I understand, have been introduced to deal with a difficulty to which I referred in the last Parliament—a difficulty which was not met by the previous Bill. The position then was that a station owner might have a number of shearers camped around him who refused to accept employment, save upon their own terms. If an arrangement be arrived at between the union to which they belong and the station holder, I think that, in all fairness, they should be compelled to accept employment, if ordered to do so, under the terms of the agreement. I am glad that an effort has been made to meet such a contingency. In clause 7, I think that the word “industrial” should be inserted before the word “agreement.” I make this suggestion in consequence of a conversation which I have had with the honorable member for Darling. Without the insertion of that word, clause 7 may render a union liable for a breach by an individual member of his own private agreement. To my mind it should be liable to

punishment only if the member commits a breach of the industrial agreement which has been made between organization and organization. Clause 8 I regard as a very dangerous one. Of course the Bill is intended to exclude railway servants and other public servants from the Arbitration Court. The effect of this clause, however, is to afford them no protection whatever. In the event of a dispute arising they have not the protection of the Arbitration Court. If we do not afford them the protection of that Court, we have no right to do what is done by clause 8—take away from them the only weapon which they have, namely, the power to strike. The effect of the provision is that if a dispute occurred, such as that which unhappily took place last year between the Railway Engine Drivers’ Association, and the Government of Victoria, the association would be denied access to the Arbitration Court, and at the same time any committee which encouraged its members not to work would be guilty of an offence. Surely we must be consistent in this matter. If we do not intend to make the Bill apply to railway servants, by all means let us leave them in the position which they at present occupy, whether it be better or worse. I am very glad that the Government have, in clause 11, adopted the principle of making the same Court a tribunal of conciliation and arbitration. I feel convinced that in New Zealand the severance of these Courts has been a great mistake, and I am sure that, upon the principle that a horse will always run better if it is aware that its rider holds a whip in his hand, we shall get far more conciliation than arbitration if the tribunal which conciliates can also arbitrate. I understand it is intended that no decision by the Court shall be valid unless three members adjudicate. I do not think that is a wise provision. I suggest, with very great deference, that it might be well in cases where conciliation is at all possible, if the two members of the Court who represent the employers upon the one side, and the employés upon the other, were invested with power to hold a preliminary meeting, to ascertain whether, from their knowledge of the wants of both sides, they can conciliate, and also adjudicate, calling in the President only as occasion might require. I do not think that the appointment of a Justice of the High Court as President of the Arbitration Court is necessarily a wise proceeding. Indeed, I

entertain very grave doubts about it. I say nothing whatever in respect of lawyers as a class, but I hold that the very qualifications which would make a Justice of the High Court a good Judge are those which are least in demand in a Court of Arbitration. In the High Court he is bound by rules of evidence. He has to follow definite principles, and to act upon rigid laws. His course of life and practice are such as to disqualify him for entering sympathetically into a dispute between employers and employés. I sympathize very strongly with the observations which were recently made by Mr. Justice McMillan in Perth when he stated that he had been learning rules of evidence all his life, and had now been appointed President of a Court in which he was called upon to disregard those rules. A very difficult question which we have to face is whether the other two members of the Court should be appointed for a term of seven years, or only in connexion with each dispute. At first I was inclined to think that a special expert was necessary for particular disputes. Upon reflection, however, I doubt very much whether that proposal would work out well. My reason is that if a trade dispute arises, and we appoint to the Bench men representing both the employers and the employés in the particular industry affected, they will attend the adjudication as heated partisans. Their minds will be imbued with the feelings of the employers on the one side, and of the employés on the other.

Mr. DEAKIN.—They will be more advocates and less arbitrators.

Mr. HIGGINS.—Exactly.

Mr. DUGALD THOMSON.—They are that now.

Mr. HIGGINS.—It is all a question of degree. In the very analogous case of patent examiners, a man who is skilled only in mechanical engineering is sometimes called upon to deal with soft-goods cases; but, with a very little experience, by bestowing attention upon the particular question under his ken for the time being, he becomes sufficiently expert to arrive at a decision. I have found that the best patent examiners are very often those who know the least about a particular industry and the men engaged in it. However, I am not bigoted upon this matter, and I mention it merely to show the present state of my own mind. I do not quite see how clause 19 will work out. If we pay a permanent man £700 a year I cannot see how we are to remunerate a temporary expert at the

same rate. I presume that we should have to pay him for piece-work, seeing that he is called in only for a special term. Then I fail to realize why, under clause 24, the President of the Court only should be charged with the duty of endeavouring to reconcile industrial differences. To my mind the representatives of employers and employés, if they are good men, are very often able to reconcile these differences much better than any President would be.

Mr. DEAKIN.—That would be impossible if the members were chosen only for each dispute.

Mr. HIGGINS.—I am assuming that the scheme of the Government is carried out. I would ask the Prime Minister if clause 27 is valid under the Constitution? Of course our powers are limited to industrial disputes which extend beyond any one State. If a dispute occurs in New South Wales, I cannot see how the State industrial authority can delegate its powers to the Federal Court.

Mr. DEAKIN.—That provision is intended to meet disputes which may arise in one State, and then overflow. Suppose that an industrial trouble occurred in New South Wales, that the State industrial authority commenced to investigate it, and that it then overflowed to another State. The State authority could thereupon cease its own procedure, and request the Federal Court to deal with it.

Mr. HIGGINS.—I am afraid that the clause will mislead if it applies only to the case where a dispute has overflowed from one State.

Mr. ROBINSON.—Elsewhere in the Bill provision is made for the overflow.

Mr. DEAKIN.—But that provision will not prevent the State industrial authority, if it thinks fit, from concluding an inquiry which it has commenced, and from making an award which may or may not be overridden.

Mr. HIGGINS.—Perhaps by a little reconsideration of this clause we may be able to meet limited cases—

Mr. ISAACS.—The term "Industrial disputes" in the interpretation clause means disputes which extend beyond the limits of any one State.

Mr. HIGGINS.—I am aware of that. At the same time the Bill makes it appear that the State industrial authority has power to refer any dispute to the Federal authority. Clauses 28 and 31, I think, will allay some of the apprehensions of our

critics. The opinion is entertained by some honorable members, including the acting leader of the Opposition, that this Bill is intended to involve the reference of every petty industrial quarrel to the Arbitration Court. The provisions of clause 31, I think, are ample to prevent the time of the Court from being abused in that way. Before a case can be brought before the Court it will be necessary to obtain a certificate from the Registrar, or the approval of the President.

Mr. DUGALD THOMSON.—It is necessary under the New South Wales Act to obtain the certificate of the Registrar.

Mr. HIGGINS.—I am glad to hear that that is so. Then it is provided that no industrial dispute shall be submitted to the Court by an organization unless the Registrar gives a certificate setting forth the consent of the organization, according to its rules, to the institution of proceedings. It will be necessary to show that the organization has given its consent at a general meeting, convened in a certain way.

Mr. DEAKIN.—That is an alternative.

Mr. HIGGINS.—Quite so; or that the consent has been given in writing, under the hands of the majority of the committee of management. It appears to me that clause 36 is rather ambiguous. I do not know whether it is meant to provide that an award which is found to operate unjustly shall nevertheless be binding for all time. The clause provides that the award shall continue in force "until a new award has been made," and if we turn to section 47 we find that an organization may apply to have an award varied.

Mr. DEAKIN.—Clause 46, paragraph *o*, gives the Court power at any time to vary an award.

Mr. HIGGINS.—But, except in certain circumstances, application cannot be made to the Court to vary an award. If the power to strike is to be absolutely taken away—not merely conditionally upon an organization being brought under the measure—it is difficult to see how a dispute can arise, and if no dispute can arise, how will it be possible to obtain a variation of an award?

Mr. DEAKIN.—Application may be made to have an award varied without the occurrence of a dispute. An award can be reopened on the application of the person or organization aggrieved.

Mr. HIGGINS.—I trust that is so. I come now to clause 37. I regard that

clause, and especially the provisions contained in paragraph *c*, with great apprehension. The paragraph provides that the award of the Court shall be binding on—

All organizations and persons on whom the award is declared by the Court to be binding.

That is to say, an award may be binding on all organizations and persons who may not have been heard by the Court.

Mr. DEAKIN.—It is the common rule power as conferred on the Court.

Mr. HIGGINS.—Provision is made in paragraph *f* of clause 46 for the common rule, and it is to apply to all persons "in the same industry." But I think we should go to extremes if we gave to the Court power to declare, in the case of a dispute between industries A and B, what rule should bind industry C. I admit that at the basis of legislation of this kind lies the assumption that the Court will exercise common-sense, and that we must assume that the men who will be called upon to administer the measure will act reasonably, and with judgment. But I object to a proposal to give the Court control over the liberties of persons who have never been heard—who have had no opportunity to put their case before it. Some kind of limitation should be imposed. It is, to my mind, remarkable that it is the workers who, as a class, are most anxious to secure the passage of this Bill. I can foresee that powers are to be given to this Court, which, unless fit men occupy seats on the Bench, the employes may some day find injurious to their position. I cannot help recognising that, of the three members of the Bench, there will be two at least with bourgeois tendencies, with sympathy for the wage-paying classes, as distinguished from the wage-earning classes, and it is a sign of the intense desire of the wage-earners of Australia, for peace, order, and good government at all hazards, that they are so anxious, in spite of these risks, to submit to a Court of this kind. We should be careful, however, to refrain from giving unnecessary powers to the Court. I am strongly in favour of endowing it with large powers in respect of parties who will have an opportunity to be heard, but I do not consider that we should give power to a Court, however pure and incorruptible it may be, to deal with parties who have no voice in the disputes dealt with by it. The Government propose to give power to the Court to deal with industries which have no voice in disputes that come before it.

Mr. DEAKIN.—It does not affect the honorable and learned member's argument, but I think that if he looks closely at the provision, he will see that it is the authority on which the common rule is afterwards made—that the common rule may apply to any industry affected, whether that industry has been heard or not.

Mr. HIGGINS.—If the honorable and learned gentleman turns to clause 37, he will find that there is no limitation of the award to the one industry.

Mr. DEAKIN.—Neither is there under the common rule. Clause 46 refers to "any industry affected by the award."

Mr. HIGGINS.—The provision in paragraph *f* of clause 46 would be taken to mean the common rule of any industry which is concerned in the arbitration.

Mr. DEAKIN.—Exactly.

Mr. HIGGINS.—Do I understand the honorable and learned gentleman to say that under clause 37 it is simply proposed to extend to the Court the power to apply the common rule?

Mr. DEAKIN.—That is what I understand it to mean. I did not draft this measure in the first instance, and have interpreted these as being two complementary provisions relating to the same action.

Mr. HIGGINS.—I wish now to refer to clause 48, which provides that the Court may by its award at any time—

prescribe a minimum rate of wages or remuneration, with provision for enabling some tribunal specified in the award or order to fix, in such manner and subject to such conditions as are specified in the award or order, a lower rate in the case of employes who are unable to earn the minimum wage.

It seems to me from the wording of that clause that the Court cannot prescribe a minimum wage without prescribing an exception in the case of old and infirm workers. I do not deny that there are cases in which the Court should be able to make that exception, but it is a very dangerous power. The clause should be amended so as to make it clear that there shall be power to make an exception in respect to aged and infirm workers, and that the Court shall not be prevented from prescribing the minimum wage which may be applied, unless the exception be made. I also wish to know what is the tribunal referred to in this clause. It provides that the Court shall have power to prescribe a minimum rate of wages—

with provision for enabling some tribunal specified in the award or order to fix . . . a lower rate . . .

Will that provision involve more expense and more appointments?

Mr. DEAKIN.—As a rule it will not. The employers will name one man and the employes will name another to act when necessary. This procedure will not need to have anything to do with the Court.

Mr. HIGGINS.—There should be some explanation of the kind of tribunal which we have in view, even if the Government take the power to prescribe by Order-in-Council what the tribunal shall be.

Mr. DEAKIN.—We take that power.

Mr. HIGGINS.—With regard to enforcing an award it is provided in clause 52 that—

Any organization or person entitled to the penalty may proceed for the recovery thereof in any court of summary jurisdiction.

Who will be entitled to the penalty? There is nothing in the Bill that gives us any information on this point.

Mr. DEAKIN.—There is nothing in the Bill declaring who would be entitled to the penalty. How would it be possible to make such a provision?

Mr. HIGGINS.—In Acts imposing penalties it is usually provided that the man who sues for the recovery of a penalty shall be entitled to the whole or to the half of it as the case may be. There is nothing here to show who will be entitled to the penalty.

Mr. DEAKIN.—The award will show that.

Mr. HIGGINS.—Not necessarily.

Mr. DEAKIN.—An award in that respect will be like the order of an ordinary court of justice for the payment of costs.

Mr. HIGGINS.—There are some penalties which can be recovered only by the Crown. Is it intended that the Crown alone shall enforce these penalties?

Mr. DEAKIN.—There are other penalties which may be recovered by individuals.

Mr. HIGGINS.—If the party who makes the complaint is to be entitled to the penalty that fact should be clearly set forth in the clause.

Mr. DEAKIN.—We do not intend that the same course shall be pursued in every case.

Mr. HIGGINS.—I observe that judgments may be enforced against the property of an organization, and I understand that they may be enforced only by filing in a Federal or State Court, and obtaining execution in that way.

Mr. DEAKIN.—That is the only form which I can at present call to mind.

Mr. HIGGINS.—Then in clause 54 it is provided that a member of an organization is to be liable in respect of a penalty,

only in the event of the execution against the organization itself being returned unsatisfied.

Mr. DEAKIN.—Where the property of an organization is insufficient to fully satisfy the process.

Mr. HIGGINS.—I think it should be clearly shown at what precise stage action is to be taken against a member. It is a very vital matter. If the funds of the organization are insufficient to satisfy a process proceedings may be taken against an individual member; but is it necessary that the funds of the organization must first be attached, or must it be proved that, even if the funds were attached, they would be insufficient? It may be considered that I am somewhat hypercritical in dealing with the Bill in this way on the motion for the second reading; but I have found that a discussion of the details at this stage invariably assists the progress of business in Committee. There is another question which has attracted a good deal of attention. I refer to the proposal to include the railway servants of the States, and, indeed, public servants generally within the provisions of the Bill. I may be doing the Prime Minister an injustice, but I understand that he has changed his opinion upon this question—that the first Bill introduced by the Government was such as would have included the public servants of the States.

Mr. DEAKIN.—Never; a draft Bill as submitted to Cabinet might have tacitly included them.

Mr. HIGGINS.—I am not going into Cabinet secrets.

Mr. DEAKIN.—A Government Bill never did so.

Mr. HIGGINS.—If the Prime Minister has changed his opinion in relation to this matter, he is, of course, entitled to do so.

Mr. DEAKIN.—I am not aware that I have in any respect whatever.

Mr. HIGGINS.—At all events I see on the face of the Bill evidence that it was meant to apply to the public servants of the States, but for the insertion on page 3 of certain words. Clause 4 says that "employer" means any employer in "any industry," and "employé" any employé in any "industry." The only modification is the definition of an industrial dispute, which is not to be taken to include a dispute in which the servants of the Commonwealth or of a State are concerned. I have read the speech of the Prime Minister with great care. Whatever we may

think of the conclusions which he has reached, I am sure that we all wish him well, and have to thank him for the frank and friendly way in which he has expounded this and other Bills which he has brought before the House. He has the goodwill of all in this Parliament, and I think of all who know him. But, in my opinion, he has come to his conclusion regarding the railway servants of the States upon insufficient reasons. Our power of legislation is confined to "disputes extending beyond the limits of any one State," and, furthermore, we are confined to "industrial disputes." Therefore we cannot, by a mere stroke of the pen, include all public servants in the operation of the Bill. I take it that the railway officials are engaged in an industry—that of carrying passengers and goods by rail; and that, similarly, the postal officials are engaged in an industry. But however industrious the officers in the Treasury or some other departments may be, it can hardly be held that they are engaged in an industry. It is one thing to be industrious, and another to be engaged in an industry.

Mr. DUGALD THOMSON.—Would not they come under the definition of industry contained in the Bill?

Mr. HIGGINS.—The Bill cannot expand the meaning of the term used in the Constitution. I take it that while the word "industry," as used in the Constitution, applies to the railway service and to the postal service, it does not apply to many of the public departments.

Sir JOHN FORREST.—Why does it apply to the postal service?

Mr. HIGGINS.—The carriage of mails used to be a private industry; now it is a public monopoly.

Mr. ROBINSON.—Was it ever a private industry in Australia?

Mr. HIGGINS.—No; but, no doubt, if it ceased to be a public monopoly private individuals would immediately undertake the carrying and delivery of letters. Our railway service is certainly an industry. The railway property is vested in the Commissioner. He, and not the Crown, is the employer of the railway servants. He appoints and dismisses them. He pays their wages, and he or his subordinates make the regulations which govern the service.

Mr. ROBINSON.—The Victorian Full Court has said that it is the Crown who pays here.

Mr. HIGGINS.—Outsiders have only to do with the Railway Commissioner. They sue him; they do not sue the Crown,

when a cause of action arises in connexion with the administration of the railways. He is as much an independent employer as is the Metropolitan Board of Works. Now, if arbitration is a good thing for private employers and employes, why is it not a good thing for public employers and employes? A quarrel between the railway servants and the Commissioner would be a more serious thing than a quarrel between a private employer and his employes, not only because of its indirect operation, but because of the fact that the railway employes have no choice of an employer. After the Victorian railway strike, expert engine-drivers were driven out of the service, and they have since been unable to find employment at the work which they were accustomed to perform. I admit that honorable members have been largely stimulated to support the proposal to apply the provisions of this Bill to public servants by the Victorian railway strike. I happen to know something of the inner working of that unwise and deplorable occurrence. I speak from knowledge which cannot be gainsaid, although I am not breaking any confidence, when I affirm that, if the Government of the day had been willing to submit the points in dispute to any tribunal, even a Court of law, there would have been no strike. The men were told that they must break away from the Trades Hall. Rightly or wrongly, they thought that rules to govern their conduct outside working hours were illegal, that the authorities had no power to prescribe where they should attend church, or what political, or other association, they should or should not join. If the Government had said—"We will state a case for the Supreme Court," the men would not have struck. But, when, in place of submitting a question to a competent and independent tribunal, the Government called Parliament together for the enactment of a drastic Bill, which, under very unusual circumstances, they were able to carry, the men struck.

Mr. POYNTON.—That Bill represented the public opinion of a past century.

Mr. HIGGINS.—I do not wish to go too far into the matter; I am merely emphasizing the point that that unwise and disastrous strike came about because the Government of Victoria would not submit to an impartial tribunal the question whether they were doing right or wrong. Law or

no law, they determined to act as they pleased.

Mr. ROBINSON.—So they should have done.

Mr. HIGGINS.—They happened to have behind them the whole forces of the metropolitan press.

Mr. ROBINSON.—And of the country press, too.

Mr. HIGGINS.—We saw the unusual sight of the two Melbourne morning newspapers being on the same side.

Mr. ROBINSON.—And the whole country was behind them.

Mr. HIGGINS.—We have not yet seen the ultimate consequences of that strike. It was easy to crow over the seeming victory, but in the course of a few years men will regard it as an occurrence which showed the expediency of the creation of some tribunal for the redress of industrial grievances.

Mr. MCCOLL.—It showed the folly of striking.

Mr. HIGGINS.—The strike was an unwise one; the maddest thing that the men could have done; but we must place the blame upon the right shoulders. If the dispute had been referred to some impartial body, such as the proposed Arbitration Court, the loss and suffering which happened would not have occurred. I agree with the Prime Minister that it is difficult to see how a railway dispute could extend beyond the limits of a State. It is doubtful if the Bill will operate as often as some people think. The organizations of the railway servants in the different States may amalgamate, but the governing authorities are not likely to act in unison. Therefore it is hard to conceive of a case in which a dispute between the Railway Commissioners, say of New South Wales, and their employes will extend beyond that State and become a dispute between the Commissioners of Western Australia and their employes. At all events, the railway in which the Minister for Home Affairs is so interested must first be constructed. It was stated during the late strike that the threat was made that the Victorian mails would not be carried by the New South Wales railway employes, but I do not think the New South Wales railway employes would have been so mad as to use their power to that extent, so long as they were well-treated by their own Commissioners. I do not think that the threat emanated from any authentic source.

Mr. HUTCHISON.—Would a dispute be taken to extend to another State if the employes of that State were levied upon to assist the strikers elsewhere?

Mr. HIGGINS.—That is a difficult question, upon which I cannot now venture an opinion. The effect of the words, "extending beyond any one State," is difficult to define. We used those words in the Convention because we could not get better.

Mr. DUGALD THOMSON.—The members of the Convention might have used a clearer expression.

Mr. HIGGINS.—Yes, if the honorable member's friends would have allowed us to go as far as we wished. We could only obtain power to deal with disputes extending beyond the limits of any one State. I think that in that matter I had the assistance of the Minister for Home Affairs, who, I understand, now considers that I led him astray.

Sir JOHN FORREST.—I think the honorable and learned member did so.

Mr. HIGGINS.—I hope that the right honorable gentleman will change his mind upon that point. No one who is in favour of conciliation and arbitration can deny that it would be well if we could apply that principle to the railway and other servants of the States. The Prime Minister has based his objections upon two grounds. In the first place, he doubts if the Constitution confers upon us the necessary power, and, secondly, he questions the expediency, under present conditions, of extending the provisions of the Bill to States servants. I observe, however, that the Minister does not go so far as to say that if he had his own way absolutely he would not think it well to apply this beneficent provision to the States servants.

Mr. DEAKIN.—I think that every State ought to pass an Arbitration Act.

Mr. HIGGINS.—That may be. I hope they will. I am now, however, speaking of disputes extending beyond one State with which the individual States cannot deal.

Mr. DEAKIN.—Each State could deal with its own railway servants.

Mr. HIGGINS.—But if a dispute extended beyond any one State, that State would not be able to cope with it, any more, for instance, than the Victorian Government, were able to deal with the seamen's strike, or the New South Wales authorities were able to exercise jurisdiction in regard to the shearers' strike. If it be

once granted that there is a dispute extending beyond one State, the Federal power will be required to deal with it.

Mr. DEAKIN.—In the case of a railway strike, each State could deal with its own particular section of the employes who have struck.

Mr. HIGGINS.—The Prime Minister has asked us to decline to extend this provision to the States servants on the very grave ground that we have not the power. If we accept that position, it will be impossible for us to legislate in the future to bring States servants within the scope of our Arbitration law. If we once concede that it is not in the power of this Parliament to provide for disputes in which States servants are concerned, and which extend beyond any one State, we shall lay down a precedent which will be a guide hereafter, and it will be taken for granted that we have not the power. We are the repositories of a most important trust for the people of Australia, both present and future, and we ought not, unless there is good ground, to surrender any of the powers conferred upon us by the Constitution. If I thought there was no power under the Constitution to legislate in such a way as to meet the case of the States public servants, I should submit to the inevitable, and vote with the Government. These rigid Constitutions are like prisons, and when we talk about whether we have this power or that, the question is one merely of the range of the walk within our prison. Unfortunately, we are hampered, and we shall continue to be hampered, in the development of legislation, and in the improvement of this country, by being pulled up in this way, by the limits of the Constitution.

Mr. DUGALD THOMSON. — Our powers are bound to be limited, unless unification is brought about.

Mr. HIGGINS.—I am speaking of the present condition of affairs. Here we have a rigid Constitution, which it will be very difficult to alter. No such attempt has yet been made, and the Government that would propose to alter it would be very brave. When Ministers come down and say—"You must not apply this provision to States public servants, because the Constitution does not give us the power," we must not agree with that view, unless we are perfectly clear that the power in question is not conferred upon us.

Mr. DUGALD THOMSON.—Not if we thought it inexpedient?

Mr. HIGGINS.—I am putting expediency on one side for the moment, and I am assuming that we are asked to concede that we have not the power. The mere fact of that ground, that we have not the power, being put before us, makes it expedient to test the question, whether we have it or not. It will be found practically impossible in future Parliaments to exercise the power if we fail to assert it now. If it were decided by the Court that we had not the power, the matter would be settled once and for all. With regard to the construction of the Constitution, I respectfully differ from the Prime Minister. In his speech, as reported in *Hansard*, at page 786, the Prime Minister said—

All those sections to which I have referred show that the same conception is running through the Constitution from first to last, and that the State is only bound when the State is expressly named.

Of course the conclusion he draws from that is that, inasmuch as the State is not expressly named in the Constitution where conciliation and arbitration are referred to, the State cannot be bound by any legislation upon the subject of conciliation and arbitration. The State is not expressly named in the sub-section relating to conciliation and arbitration for the prevention and settlement of industrial disputes extending beyond the limits of any one State. That sub-section does not specify whether the disputes for which we are to legislate are to be between private or public employers and their servants. The whole matter is left open. So far as I can find, however, in all cases in which it is intended to exclude the States, or to exclude States industries from the operation of the Constitution, express provision is made to that effect. If honorable members will glance at sub-sections XIII. and XIV. of section 51, they will find that we have power to legislate for the peace, order, and good government of the Commonwealth with respect to banking and insurance. In sub-section XIII. the Commonwealth is empowered to legislate in regard to "banking." If the sub-section stopped there, State banking would, according to the Prime Minister, be excluded; yet the sub-section continues, "other than State banking." If the argument of the Prime Minister is sound, those words should not have been necessary. Further, provision is made for power to legislate with regard to "State banking

extending beyond the limits of the State concerned, the incorporation of banks, and the issue of paper money." Sub-section XIV., relating to insurance, is similarly worded, and, if the Prime Minister is right, all that would have been necessary would have been to stop at the word "banking" or the word "insurance."

Mr. DEAKIN.—My argument is that those words, "other than State banking," were inserted to introduce the further provision that the powers of the Commonwealth should extend to legislation with regard to State banking extending beyond the limits of the State concerned.

Mr. HIGGINS.—I do not see how that applies, because the two sets of words are in no way inter-related. According to the Prime Minister, there would be no power to tax States' properties if the States were not expressly named; but if honorable members will look at section 114, they will find that it is provided that—

Nor shall the Commonwealth impose any tax on property of any kind belonging to a State.

Full power is conferred to impose general taxation, and, according to the Prime Minister's view, that power would not apply to States' property. We find, however, in this section, that States' properties are expressly exempted from taxation. It would be idle for me to enter into an elaborate argument. I am no bigot in these matters, and I admit that the whole question will depend upon the decision of the Privy Council or the High Court, for either may be appealed to for an interpretation of the Constitution.

Mr. DEAKIN.—Surely not. Is not this a matter determining the rights *inter se* between the States and the Commonwealth under section 74?

Mr. HIGGINS.—No. My impression is that it is a question that might be referred to either the Privy Council or the High Court. After all, it is a matter of opinion, and a decision of the Court only would be final. Here, as in America, it is our business to see that we abandon nothing of the trust which we suppose to be imposed upon us by the people. The Prime Minister has attempted to apply to our circumstances the United States decisions as to taxing Federal and State incomes, and has given us the benefit of an elaborate argument, which, I understand, has led him to the conclusion that we should violate some mystic Federal principle if we were to include States' public servants within the operation of the Bill. I confess that I do not see what the principle

adopted in America with regard to taxing Federal incomes by the State, or State incomes by the Federal power, has to do with the interpretation of our Constitution so far as it relates to our power of legislation in regard to conciliation and arbitration. Concerning American decisions, I have long held the opinion that they represent what the Judges thought the Constitution ought to contain, rather than what it does contain. However, I do not think those cases have anything to do with this matter. The only judgments which have been given by Australian courts are to the effect that these American decisions do not apply here. Similarly, the only judgment given by the Privy Council is one which tends to show that they do not apply even in Canada. The Prime Minister, as will be seen by reference to page 781 of *Hansard* of the present session, further stated—

I may point out, to give a clue to the argument which I intend to follow, that if the Conciliation and Arbitration Bill embraced public servants, a decision of the Court might have the effect of raising their wages. That would increase the taxation of the State in which they were employed. It would impose a new obligation upon the States which does not now exist. Or the Court might lower their wages; in that case the men would not receive the amount of money which the Parliament of the State had voted for them.

Increase the taxation which the State would require to impose! Increase the Estimates and the Appropriation made by Parliament! Interfere with the Estimates and with the Appropriation! Why, every additional post-office that is erected, every increase that is made in the Defence Forces of the Commonwealth, every extra supply of ammunition that is purchased, every adverse judgment which is given against the Crown, involves an alteration of the Estimates, and necessitates the submission of supplementary estimates. The thing is done every year in the different States. If an action is brought against the Crown for breach of contract, and a decision is given against it, no execution is levied on the King; there is no enforcement of the judgment upon his drawing-room furniture, and no seizing of the assets in the Treasury buildings. We are a people who pay our debts. When a judgment is entered against a Government they make provision for its payment, and there has never yet been a case in which they refused to do so.

Sir JOHN FORREST.—There was one in Queensland.

Mr. HIGGINS.—I am quite sure that there was never one in Western Australia.

Suppose that a penalty were imposed upon the Railway Commissioners, under which an extra £1,000 required to be paid. The Government would submit supplementary estimates and ask Parliament to vote that amount. It is a disagreeable course to adopt, but it is one which is followed every day. I would also point out that in framing the Constitution there was no intention on the part of the Federal Convention to exempt the railway estimates of the States from interference. Why, the Constitution itself gives us power to interfere even with railway rates. There is nothing that will so materially affect the railway estimates as the provision in the Constitution having reference to preferential rates. That will make a tremendous difference to the lines adjoining New South Wales and Victoria. It will mean a great loss of revenue in some cases, and a great increase of revenue in others. The States must submit to having their finances interfered with.

Mr. DEAKIN.—Express power is given in that instance.

Mr. HIGGINS.—But throughout the entire Constitution there is no evidence of any intention to keep the railways sacred from the desecrating touch of the Commonwealth Parliament.

Mr. ISAACS.—Could we so legislate as to deprive the States of the whole of their three-fourths share of the Customs receipts?

Mr. HIGGINS.—I have not reached that point yet. If, however, an *impasse* actually occurred between a State Government and the Federal Courts, I have no doubt that we could introduce a Bill to allow the Commonwealth Government to deduct from the balance of the Customs revenue payable to that State the amount of any judgment given against it.

Mr. GLYNN.—Do not the States satisfy any judgment given against them simply because they have submitted to the action being entertained?

Mr. HIGGINS.—It is true that no action can be brought against the Crown unless it is permitted by Act or otherwise. I am merely endeavouring to show that at present there is no means of compelling the Crown to pay.

Mr. GLYNN.—But the Crown says, "We have agreed to the action, and must abide by the judgment."

Mr. HIGGINS.—It is not a question of agreement. If the honorable and learned member obtained judgment for £1,000

against the Government of South Australia he could not compel its payment unless Parliament made an appropriation for the purpose. But no doubt Parliament, with the sense of honour that has always characterized our public men, would see that any creditor under a judgment against the Crown was paid.

Mr. DEAKIN.—Surely no Bill which this Parliament can pass could alter the constitutional provision for the return of the fixed proportion of the surplus revenue to the States?

Mr. HIGGINS.—I have no doubt that it could, by way of a set-off. The best argument that has been advanced by the Prime Minister is that at the inception of this Act it is inexpedient to overload it. I should be strongly impressed by that argument if this question were not involved in a greater one. We are asked to refuse to extend the operation of this Bill to the public servants of the States upon the ground that we do not possess the constitutional power to take such action. With me that consideration overweighs any question of expediency. If we believe that we have the necessary constitutional power, by all means let us exert it. Now is the only time for us to exercise it. We must speak now, or be for ever silent. When we are told by the Government that we do not possess this power, we must insist upon testing the question. I would not be a party to including in the measure any provision which I thought would be nugatory and useless. At the same time, if we honestly believe that we possess this power, let us exert it and not abandon the trust which the people have reposed in us. I must apologize to the House for having trespassed upon its patience so long. The gravity of the position is such as to justify honorable members in conveying to the Government and the House generally the direction in which their votes will be cast, and amendments proposed.

Question resolved in the affirmative.

Bill read a second time.

In Committee:

Clause 1—(Short title.)

Mr. DUGALD THOMSON (North Sydney).—I would ask the Prime Minister to report progress, seeing that it would be useless to enter upon the discussion of the details of the Bill to-night.

Mr. DEAKIN (Ballarat—Minister for External Affairs).—As no notice has been given of any proposed amendment of the Bill prior to the important one relating

to its extension to the public servants of the States, I am inclined to agree with the acting leader of the Opposition that it would be profitless to enter upon a discussion of its details to-night. I have here a small measure of a purely formal character—the Acts Interpretation Act Amendment Bill—and if we pass that to-night, as we are to be the guests of His Excellency the Governor-General to-morrow, I am perfectly willing that the House should adjourn till Tuesday next, when honorable members will be able to deal at once with the crux of the measure.

Progress reported.

ACTS INTERPRETATION BILL.

SECOND READING.

Mr. DEAKIN (Ballarat—Minister for External Affairs).—I move—

That the Bill be now read a second time.

This little measure which has already received the sanction of the Senate, is of an extremely useful, but simple character. If honorable members will look at the eleven clauses which it contains, they will find that each of them is an old friend, because they have been frequently included in the measures submitted for their consideration. The object of again introducing them in the form of this Bill is to place them upon the statute-book permanently, so that we may have the benefit of them in the various Acts to which they are applicable, without the necessity for repeatedly enacting them. For instance, we have become familiar with the form of drafting which was introduced by the right honorable member for Adelaide, in which the statement "Penalty, fifty pounds," at the foot of a section, indicates that that is the maximum penalty by which any breach of that particular section can be punished. In the same way we have made provision time and again for distinguishing between indictable offences and offences which can be dealt with under summary jurisdiction. We have provided in a number of Acts that those aiding or abetting an offence, shall be liable to suffer for so doing, and that those who attempt to commit an offence shall be capable of being treated as if they had committed it. The last clause relates to the procedure by which regulations under the various Acts may be adopted. If not challenged in either House within fifteen days after they have been laid on the table, they are sanctioned. These are all the provisions of

the measure, and I think that the legal members of the House can assure honorable members generally that it contains nothing novel. We propose to enact these provisions once and for all to save their continued repetition in other measures.

Mr. GLYNN (Angas).—Doubtless many of the provisions in this Bill which are found in State legislation should be passed, but one or two of them are of considerable importance. I do not know why we are asked to include in this measure provisions which ought to be found in a criminal code, unless it be that there are so few penalties that we can impose that it is considered desirable to provide for them in this way. The provisions of clauses 7 and 8 properly belong to a criminal code rather than to an Interpretation Bill, because they provide for penalties following convictions. They are not mere interpretations of terms.

Mr. DEAKIN.—Strictly speaking, the honorable and learned member is correct. They are simply provided for in this way as a matter of convenience.

Mr. GLYNN. — Quite so. In my opinion, however, clause 11 should be amended. It proposes to perpetuate the old and erroneous method of prescribing that regulations shall be adopted, unless within fifteen days after they have been laid upon the table of either House a motion is passed disallowing them.

Mr. G. B. EDWARDS.—The time allowed is insufficient.

Mr. GLYNN.—As a rule there is no time to take action. It rests with the Government of the day to say whether the proposed regulations shall be adopted, and as they are responsible for them, they naturally propose to allow them to pass. It is left to a private member to challenge them. He has to give notice of motion, and perhaps two months elapse before the motion can be considered, so that it is impossible for him to take effective action. I mention these matters in the belief that although we may push this measure through all its stages at a rapid rate, the Prime Minister will take an opportunity to consider them.

Question resolved in the affirmative.

Bill read a second time.

In Committee:

Clauses 1 to 4 agreed to.

Clause 5 (Offences punishable by summary conviction).

Mr. GLYNN (Angas).—From a hurried examination of this clause I find that it practically limits the powers of a Court of summary jurisdiction to deal with an offence which is punishable by imprisonment for a period not exceeding six months. All other cases must go by indictment before a jury. I believe that the Constitution provides that all indictable offences must be tried by jury.

Mr. DEAKIN.—There is some such provision.

Mr. GLYNN.—It is thus proposed to send many cases to a jury, and thus to harass litigants. This clause practically means that all offences punishable under any Act by two years' imprisonment must be tried before a jury. I venture to express the opinion that in 90 per cent. of the cases the period of imprisonment will not be limited to six months.

Mr. DEAKIN.—I think it will be so limited under our laws. Our position is different from that of a State, with its large range of offences.

Mr. GLYNN.—In order to overcome difficulties of this kind, the States' laws provide that in certain circumstances an accused person may submit himself to the jurisdiction of a Court of summary jurisdiction. In some States power is given to such Courts to impose penalties up to two years' imprisonment, and thus avoid the expense and delay of sending a person to trial before a jury. I would suggest that in certain circumstances we should allow a person to consent to be finally tried by a Court of summary jurisdiction.

Mr. DEAKIN (Ballarat—Minister for External Affairs).—I confess that the suggestion is practical, but am not aware that a penalty exceeding six months' imprisonment has yet been imposed for an offence against Commonwealth law. I do not anticipate the imposition of greater penalty, save in some rare instance.

Mr. CROUCH.—Under the Electoral Act we provide for lengthy terms of imprisonment.

Clause agreed to.

Clauses 6 and 7 agreed to.

Clause 8 (Aiding or abetting an offence to be deemed an offence).

Mr. ISAACS (Indi).—This is a clause which ought to be carefully scrutinized, for, although it appears in an Acts Interpretation Bill, it is a very serious addition to the criminal law.

Mr. CROUCH.—The same remark will apply to clause 7.

Mr. ISAACS. — That is a case of a different class. This provides amongst other things that any person who is—

Indirectly concerned in the commission of any offence against any Act, shall, unless the contrary intention appears in the Act, be deemed to have committed the offence, and be punishable accordingly.

We know that there are persons who might be indirectly concerned in the commission of an offence, according to the interpretation placed by the Court on the word "concerned," although they are perfectly innocent in mind. Under this clause such persons would be treated as if they had actually committed the crime. This is too serious a clause to pass without careful consideration. We have not had time to fully consider it, and I think it will be well for the Prime Minister to give us a further opportunity to say whether such a provision shall become law.

Mr. DEAKIN.—I believe that the clause was debated in another place, and that it was alleged to be too drastic.

Mr. GLYNN.—It is copied from the Customs Act.

Mr. DEAKIN.—It was pointed out that it was identical with clauses in the Excise and other measures providing for the punishment of criminal offences, and also identical with clause 236 of the Customs Act. With that explanation it was agreed to.

Sir JOHN QUICK (Bendigo).—I would suggest to the Prime Minister that the clause should be negatived. It is one that ought really to be inserted in a Crimes Consolidation Bill. We cannot be too careful to see that our Criminal Law is clearly defined and expressed on the face of the Act itself. It might be that such a clause would be appropriate in the Customs Act, but wholly inappropriate in a Postal Act.

Mr. DEAKIN.—I shall not press the clause in its present form.

Clause negatived.

Clause 9 (Attempt to commit an offence to be deemed an offence).

Mr. GLYNN.—There is not the moral objection to this clause that can be levelled against the one with which we have just dealt, but there is nevertheless the objection that it is proposed to be inserted in the wrong Bill. Wherever the provision with which we have just dealt appears in other Acts it is followed by this clause.

Mr. DEAKIN.—The two are not necessarily connected.

Mr. GLYNN.—In the Customs Act the one precedes the other.

Mr. DEAKIN.—But this clause has an independent value.

Mr. GLYNN.—It might make a man liable to a double penalty.

Mr. DEAKIN.—No; it relates only to future Acts.

Clause agreed to.

Clause 10 (Definitions).

Mr. G. B. EDWARDS (South Sydney).—I believe that in either the Customs Act or the Electoral Act reference is made to a Justice of the Peace for the Commonwealth. Heaven forbid that I should suggest an increase in the roll of Justices, but if we are going to create Justices of the Peace for the Commonwealth we ought to provide for them in this definition clause.

Mr. DEAKIN.—That will not be necessary until we actually take the step.

Mr. G. B. EDWARDS.—But this clause would exclude them.

Mr. DEAKIN.—No; it would necessarily include Justices of the Peace for the Commonwealth.

Clause agreed to.

Clause 11—

... If either House of the Parliament passes a resolution at any time within fifteen days after such regulations have been laid before such House disallowing any regulation such regulation shall thereupon cease to have effect.

Mr. GLYNN (Angas).—There are several amendments which might be made in this clause, but I do not intend to attempt to draft them at this stage.

Mr. DEAKIN.—It is a familiar clause.

Mr. GLYNN.—It is a clause to which objections have frequently been taken, although Governments have declined to take any notice of them. It really gives no power to the House to amend regulations. Regulations must be rejected or accepted *in toto*, although the Government have doubtless effected an improvement by allowing us to accept or reject one regulation.

Mr. DEAKIN.—A regulation must come before both Houses. It is just as simple to pass a new one and lay it before the two Houses as to amend the old one.

Mr. GLYNN.—Apparently the Government think so, because they invariably follow what to my mind is an erroneous course. I think I showed a very strong objection, when speaking on the second reading, to the wording of the clause as it stands, and I ask the Prime Minister to consent to an amendment which will alter the clause so as to make it provide, not that the resolution

must be passed within fifteen days, but that notice of a motion challenging a regulation must be given within fifteen days. That object will be met by inserting after the word "resolution" the words "of which notice has been given."

Mr. DEAKIN.—I wrote those very words upon my copy of this Bill while the honorable and learned member was speaking.

Mr. GLYNN.—Then I move—

That after the word "resolution," line 2, the words "of which notice has been given" be inserted.

Amendment agreed to.

Clause, as amended, agreed to.

Preamble and title agreed to.

Bill reported with amendments; report adopted.

SPECIAL ADJOURNMENT.

Motion (by Mr. DEAKIN) agreed to—

That the House, at its rising, adjourn until Tuesday next.

ADJOURNMENT.

AMMUNITION RESERVE: TRANSMISSION OF TELEGRAMS: TRIAL OF ELECTION PETITIONS: CARRIAGE OF POSTAL STORES.

Motion (by Mr. DEAKIN) proposed—

That the House do now adjourn.

Mr. PAGE (Maranoa).—I think that after the press criticisms we have had of late the House and the country should be informed as to how many up-to-date rifles the Commonwealth possesses, and what quantity of ammunition is in reserve. I shall be much obliged to the Minister for Defence if he will give us that information.

Mr. CHAPMAN (Eden-Monaro—Minister for Defence).—If the honorable member will give notice of the question for Wednesday next I shall be pleased to make a statement on the subject.

Mr. CARPENTER (Fremantle).—I wish to bring under the notice of the Prime Minister, who I understand is representing the Postmaster-General in the absence of that honorable gentleman, a complaint upon a very old subject—the delay in the transmission of press telegrams between the eastern States and Western Australia. I have been informed by the proprietor of a newspaper in Western Australia that last week a press telegram occupied something over four hours in transmission. No doubt when there is a rush of business, as there

has been in times past, allowance must be made for delays, no matter how aggravating they may be; but under normal conditions every effort should be used to expedite messages, and particularly press telegrams, a delay in the transmission of which means annoyance and loss. I am sure that the Prime Minister will have the necessary inquiries made, and try to avoid repetition of the cause of complaint.

Mr. O'MALLEY (Darwin).—In view of the tremendous expense to which a member is now put in defending his seat when another man wants it, and to prevent honorable members from being driven into the Bankruptcy Court, will the Prime Minister bring in a Bill to amend the Electoral Act, so as to provide for the trying of election petitions by a Committee of the House?

Mr. GLYNN (Angas).—I wish to direct attention to a question of postal administration. In calling for tenders for supplies for the Post and Telegraph Department it has been made a condition, I believe, that white labour only shall be employed, with the result that in South Australia the cost has been more than doubled. There camels are largely used for the carriage of supplies, and it is difficult to obtain the services of reliable white men for anything like what it costs to employ Afghans. Under what provision of the Postal Act is the Postmaster-General required to make this stipulation, or is it simply a happy thought of his own?

Mr. DEAKIN (Ballarat—Minister for External Affairs).—I shall cause inquiry to be made as to the reason of the delay complained of by the honorable member for Fremantle. I cannot promise the honorable member for Darwin the pleasure of appearing before a committee of his fellow members for the trial of an election petition, because the experience of this State has shown that no more expensive tribunal was ever devised for that purpose. A leading barrister of this city, who was a spectator at a recent trial in the High Court, assured me that an ordinary court would have been occupied for three weeks in dealing with a matter which engaged the High Court only three days.

Mr. CROUCH.—Hear, hear. I was there myself.

Mr. O'MALLEY.—A committee of this House could have dealt with it in a couple of hours.

Mr. DEAKIN.—How could justice have been obtained if the complex questions at

issue, one of which affected 1,400 ballot-papers, had been dealt with in two hours?

Mr. O'MALLEY.—The High Court is for millionaires.

Mr. DEAKIN.—I ask the honorable member to exercise a little patience, until an amending Bill can be introduced which will remove the misconceptions upon which the cases to which he has referred have been based. It is reasonable to expect that no such confusion will occur in future elections.

Mr. O'MALLEY.—No lawyer will appear in the High Court for less than £100.

Mr. DEAKIN.—If the honorable member prefers a lawyer at that price, it is no doubt because experience has taught him the value of such an advocate. With regard to the matter referred to by the honorable and learned member for Angas, it is one of departmental administration, and I shall be happy to inquire into it if he will tell me where the practice of which he complains obtains. I suppose it is confined to the Northern Territory.

Mr. GLYNN.—It obtains over a large part of the State of South Australia.

Question resolved in the affirmative.

House adjourned at 10.21 p.m.

House of Representatives.

Tuesday, 19 April, 1904. •

Mr. SPEAKER took the chair at 2.30 p.m., and read prayers.

ELECTION PETITION.

CHANTER *v.* BLACKWOOD.

The CLERK announced the receipt from the Deputy-Registrar of the High Court of Australia, under section 202 of the Commonwealth Electoral Act, of a copy of the following order of the Court of Disputed Returns:—

In the High Court of Australia, sitting as a Court of Disputed Returns:

In the Matter of the Election of a Member of the House of Representatives for the Electoral Division of Riverina.

Before His Honour the Chief Justice.

Wednesday, the 13th day of April, 1904.

This petition, coming on for trial at Melbourne on the 10th, 11th, and 12th days of March, 1904, and afterwards on the 11th, 12th, and 13th days of April, 1904, and upon reading the petition of John Moore Chanter, filed herein, and the appearance of Robert Officer Blackwood, who

was returned as a member of the House of Representatives at the abovementioned election, and upon hearing the evidence of Burgess Tait, taken upon his oral examination, and upon reading the affidavit of Francis Carl Muller, sworn and filed herein, together with the exhibit annexed thereto, and the Deputy Registrar's certificate as to the result of a recount, dated the 21st day of March, 1904, and made in pursuance of the direction given to him by order dated the 12th day of March, 1904, and upon hearing what was alleged by Sir John Quick, of counsel for the said petitioner, and by Mr. Mitchell, and afterwards by Mr. Bryant, of counsel for the said respondent, this Court doth declare that the said Robert Officer Blackwood was not duly elected at the said election, and the said Court doth further declare that the said election was absolutely void; and this Court doth further order that the respondent do pay to the petitioner his costs of and occasioned by the said petitioner so far as the same relate to the claim by the said petitioner that he received the majority of votes, and ought to have been returned at the said election, up to and inclusive of Monday, the 11th inst., such costs to be taxed by the Deputy Registrar of the High Court, and when so taxed to be paid by the respondent to the petitioner, or his solicitor, Mr. B. P. B. Rymer; and this Court doth further order that the sum of £50 deposited with the Principal Registrar by the said John Moore Chanter at the time of his filing his said petition be returned to him or to his solicitor, Mr. B. P. B. Rymer.

(L.S.) By the Court,

J. W. O'HALLORAN,
Deputy Registrar.

ISSUE OF WRIT.

Mr. SPEAKER.—The High Court having declared the election held on 16th December last for the electoral division of Riverina, in the State of New South Wales, to be absolutely void, I shall this day issue a writ for a new election for the said division. The dates appointed in the writ will be as follows:—Date of nomination, Wednesday, 4th May; date of polling, Wednesday, 18th May; return to writ, on or before Saturday, 18th June, 1904.

PAPER.

Sir JOHN FORREST laid upon the table the following paper:—

Report of the Conference of Commonwealth Electoral Officers held in Melbourne in March, 1904.

ELECTION PETITION.

The CLERK laid upon the table a copy of the following petition received by him from the District Registrar at Hobart of the High Court of Australia, under section 202 of the Commonwealth Electoral Act:—

Cameron, D. N., *v.* Fysh, Hon. Sir P. C.

KALGOORLIE TO PORT AUGUSTA RAILWAY SURVEY BILL.

Mr. SPEAKER reported the receipt of a message from His Excellency the Governor-General, recommending that an appropriation be made from the Consolidated Revenue for the purposes of this Bill.

CONCILIATION AND ARBITRATION BILL.

Mr. CROUCH.—I wish to ask the Prime Minister, without notice, if his attention has been drawn to an interview with the Minister for Trade and Customs which was published in the Melbourne *Herald* on Saturday evening last. The Minister for Trade and Customs is there reported to have said:—

He saw considerable difference between the position of the railway employés and that of the State servants generally, as the former were under the control of Commissioners, whilst State servants had members and Ministers before whom they could bring their grievances.

Does that expression of opinion indicate a change of front or of policy on the part of the Government in regard to the Conciliation and Arbitration Bill?

Mr. DEAKIN.—I should have thought that the honorable and learned member, like other honorable members, was sufficiently familiar with the individual opinions of my honorable colleague not to have formed any such astounding assumption.

RE-RIFLING OF GUNS.

Mr. PAGE.—I wish to know from the Minister for Defence if his attention has been drawn to the paragraphs in the daily papers in which it is stated that several guns are to be sent to England to be re-rifled. I know that the Minister is a good protectionist, and I should like to know if that is the policy of this protectionist Government? Cannot the work be done in the States, seeing that we have a population of 4,000,000 people?

Mr. CHAPMAN.—If the honorable member will give notice of his question, I shall obtain the necessary information. This, however, is not a time to draw the fiscal red-herring across the trail.

RECLASSIFICATION OF PUBLIC SERVANTS.

Mr. BATCHELOR.—I wish to know from the Minister for Home Affairs if he can state why the reclassified list of the Commonwealth public servants has not yet been issued. When does he intend to issue it?

Sir JOHN FORREST.—The Public Service Commissioner has stated on several occasions that he hopes to have the list completed very soon. I have no information as to the exact position of affairs, and I cannot give any reason why the list has not been issued, other than that probably the Commissioner has not yet completed his work in connexion with it. It will, however, be ready very shortly.

COALING STATION AT THURSDAY ISLAND.

Mr. WILKINSON.—Is it the intention of the Imperial authorities to establish a coaling station at Thursday Island? If so, will the Minister use his best endeavours to induce the Admiralty to draw the supplies required for that station, as far as possible, from Queensland coal pits?

Mr. CHAPMAN.—The Government is not aware of any such intention. In answer to the second question: no; it is not the duty of the Federal Government to suggest preference to any particular State.

GENERAL POST OFFICE, BRISBANE.

Mr. CULPIN.—I desire to ask the Minister representing the Postmaster-General if anything has yet been done in the matter of improving and enlarging the accommodation at the Brisbane General Post Office?

Mr. DEAKIN.—Will the honorable member be good enough to give notice of his question? The Postmaster-General will be in his place to-morrow.

POSTMISTRESS, SOMERSET.

Mr. O'MALLEY asked the Postmaster-General, *upon notice*—

1. Why was Mrs. Wells, late postmistress at Somerset, Tasmania, retired from the service in the first instance?
2. If there was any fault on the part of Mrs. Wells, why was she reinstated?
3. Does he consider it equitable or just that a public servant, with a record of twenty-five years' service, should be forced out of the service without inquiry or compensation?
4. Is there any objection to a copy of all papers and correspondence between Mrs. Wells and the Department being laid upon the table of the House?

Sir PHILIP FYSH.—The answers to the honorable member's questions are as follow:—

1. Mrs. Wells was not retired from the service. She was an unofficial postmistress, who, in consequence of several irregularities, was asked to resign, and has done so.
2. She has not been reinstated.

3. Full inquiry was made into the matter by two Departmental officers. As an unofficial post-mistress, Mrs. Wells was not entitled to compensation under any circumstances, as she held office during the pleasure of the Postmaster-General, who gave the most careful consideration to all the representations made in connexion with the case before deciding upon the action to be taken.

4. The papers and correspondence are voluminous, but there is no objection to lay copies of them on the table of the library if desired.

ACTS INTERPRETATION BILL.

THIRD READING.

Motion (by Mr. DEAKIN) put—

That the Bill be now read a third time.

Mr. GLYNN (Angas).—I think that this is the stage at which the Bill should be re-committed for any further amendments which require to be made. I desire to ask the Prime Minister if he does not intend to move for the recommitment of some of its clauses?

Mr. DEAKIN.—No.

Mr. GLYNN.—I think that the honorable and learned gentleman is committing a great error.

Mr. SPEAKER.—Order. I would remind the honorable and learned member for Angas that when the motion for the third reading of a Bill has once been put to the House it is too late to move for the recommitment of any of its provisions.

Mr. GLYNN.—I thought that the Prime Minister intended to move in that direction. If he does not, I do not propose to do so.

Question resolved in the affirmative.

Bill read a third time.

CONCILIATION AND ARBITRATION BILL.

In Committee (Consideration resumed from 14th April, *vide* page 1037):

Clauses 1 to 3 agreed to.

Clause 4—

In this Act except where otherwise clearly intended—

“Industrial dispute” means a dispute in relation to industrial matters—

(a) Arising between an employer or an organization of employers on the one part, and an organization of employees on the other part; or

(b) Certified by the Registrar as proper in the public interest to be dealt with by the Court, and extending beyond the limits of any one State, but does not include a dispute relating to employment in the public service of the Commonwealth, or of a State, or to employment by any public authority constituted under the Commonwealth or a State.

Mr. FISHER (Wide Bay).—I move—

That after the word “State,” line 12, the words “but does not include” be omitted, with a view to insert in lieu thereof the words “and includes.”

I believe that upon this particular clause there will probably be a considerable amount of discussion and great diversity of opinion, not only as to the form of its drafting, but also as to the persons to whom the Bill should be made applicable, and as to its restrictive character in this connexion. I desire to briefly define my attitude upon this provision. When the measure was before the House last year, I expressed the view—which I still entertain—that in a Bill of this sort, Parliament ought not to insert anything in the nature of an *ex parte* statement regarding its constitutional powers. These, I take it, can be determined only by a tribunal which has been duly established by the Commonwealth for that express purpose. For this reason I have always contended that upon a broad matter of this kind we ought not to attempt to restrict our powers under the Constitution. At no time has the Prime Minister or any of the legal authorities in this House, definitely declared that the proposal which I have submitted is absolutely unconstitutional. I confess freely that those honorable members who are possessed of high legal knowledge, and whose opinions are entitled to all respect, have affirmed that its constitutionality admits of very grave doubt. But the strongest contention that has been urged against it, is that it would be inexpedient to give legal effect to it. I maintain that the question of expediency is one of which this Parliament has no right to take serious cognizance, if the principle involved be a good one. Indeed, that question can arise only when honorable members are in doubt as to the wisdom of adopting a certain line of action. I hold that in this case the argument as to expediency is all in favour of my contention. If a Conciliation and Arbitration Act is desirable, I claim that its provisions should be applicable to the whole of the workers, irrespective of whether they are in the employ of private individuals, of the States, or of the Commonwealth. I should like to know the difference between an employé in the service of the Commonwealth and an employé in the service of a private individual. In the one case the private employer has to risk his own money and his own business. If he meets with a reverse the loss is his. In the case of the States, however, the

people themselves have to find the money that is necessary to insure the just treatment of their public servants. I contend that Parliament is not a competent Court to deal with any of our public servants. We have reached different times from those to which the precedents that have been quoted by the other side in this connexion were applicable. The functions of the States are no longer restricted to the performance of police duties, and to the maintenance of law and order. Both the States and the Commonwealth have entered upon almost every class of undertaking. They have attempted to carry out works which were never dreamed of in older countries. Unquestionably the State has entered into competition with private enterprise in many respects, and there is scarcely an influential section in Australia which condemns it for so doing. Its operations have by no means been limited to our railways and our postal service. In this connexion I wish to instance another form of State industrial enterprise which some honorable members undoubtedly favour. It has reference to the establishment either by one of the States or the Commonwealth of the iron industry. If one of the States or the Commonwealth embarked upon that undertaking, does any one suggest that it would be fair to exclude from the operation of a Bill of this character the public employes engaged in that industry, whilst insisting that the private employer should conform to its provisions? It is unnecessary to enlarge upon that point because, as will have been gathered from the series of interviews recently published in a Melbourne newspaper, there is a large number of honorable members who believe that the Commonwealth should take over and work any and every industry that has become a monopoly. That is surely an additional reason why we should endeavour to extend the operation of this Bill to all public servants. It has been argued with some force, and, perhaps with some truth, that even if the scope of the Bill were so extended very few public servants would take advantage of it. It is urged that some of them have no desire to take advantage of such legislation, but that is entirely beside the question. It will be quite time enough to deal with that phase of the question when it actually arises. Why deny public servants the right to participate in such legislation? Why deny a particular body of public servants the right to come under a measure which is to embrace all servants in private employment? I hold

Mr. Fisher.

that it would be undesirable to do so. The legal aspect of the question of interference with States rights is one which must be left to the lawyers of this House to determine. The contest will rage round the point whether we have the constitutional power to extend the Bill in the direction I propose. If we have that power, then undoubtedly the sole question to be determined is that of expediency. On the other hand, if the Parliament exceeds its rights by extending the operation of the Bill to the public servants of the States the corrective will be administered by the competent Judges of the High Court—by men who are an honour to the Australian Judiciary. I have heard it said that we should be exceedingly careful not to exceed our powers. I am not one of those who entertain that opinion, nor do I believe that it would be well if it were open to us before taking action to submit any doubtful question as to our legislative powers to the High Court. That, in my opinion, is undesirable, because under the Constitution a referendum may be taken in certain circumstances to enable the people to confer on the Parliament the authority to carry out any proposal to which effect cannot otherwise be given. I hold that, as a general principle, we must extend to the utmost our powers under the Constitution, provided, of course, that the majority of honorable members are prepared to accept the risk. I shall not attempt to enlarge upon this aspect of the matter further than to say that the argument that the extension of this Bill to the public servants of the States might interfere with the States Treasurers' Budgets is not a sound one. We have appointed a High Court, whose decisions extend to every State, and in some cases must, more or less, affect the Budgets of the various States Treasurers. It is, at best, only a question of degree; but it is a matter of the highest importance. The assumption is that even if our action led to an alteration in a State Treasurer's Budget, that result would have been brought about only by a decision of a Court. Some people contend that the Court would be in a sense a foreign Court. That may or may not be so; but if, under the Constitution, we have the power to take the action proposed by us the Court will not be a foreign one. It must be an Australian Court, duly appointed under an Act passed by an Australian Parliament. I have yet to learn that there is a Government or a Parliament of a State

which would refuse to indorse the decision of the very highest Court in Australia—a Court which, I venture to say, is one of the most competent to be found in any part of the world. Surely it is not contended that a State Government or Parliament would refuse to honour a decision which would have the effect of altering the State Budget, or that the Court would be unjust to any State? My contention that this Bill should be framed on the broadest basis is due to my belief that it is our duty to extend the authority of the Commonwealth and the States to every ramification of trade and industry in which it can operate to the benefit of the people generally. I desire that such an extension should be made, believing that it would be good for Australia, and for the people generally. Holding these views, as I do, it is my duty, as well as my pleasure and privilege, to put them before the Committee. We should endeavour to place the Public Service upon such a footing that they will have no cause to fear vindictive or unfair treatment. Their rate of pay and conditions of labour should be determined, not by Parliaments, which may be called upon to act at a time of political panic, but by a judicial body, capable and competent to determine what is just. I have heard it said that the Commonwealth and States employés have been well treated by the various Governments and Parliaments, and while I am not going to deny that assertion, I wish to place before the Committee my own experience in this regard—an experience which I venture to say has been that of honorable members from other States. As the result of a Government remaining in power for a considerable length of time, I have known the most eminent members of the Public Service of Queensland to be afraid to express their opinions on public questions. Is that a desirable state of affairs? The condition of affairs to which I have referred prevailed in Queensland, notwithstanding the existence of a Public Service Act and a Public Service Commission. They were mere putty in the hands of the Ministry which had reigned for so many years. It is my desire that such littlenesses of Parliaments or Ministries—and I say this advisedly—should not continue, because, I hold, Parliaments are the least competent Courts to adjust the disputes and differences of employés. The last change of Government made in Queensland led to at least half of the members of the Public Service, and perhaps five-sixths of the rail-

way employés feeling that once more they had absolute freedom; that they were once more free to express their opinions in favour of or against the Government of the day. That, no doubt, is a compliment to the stand taken up by the new Ministry. Why should it have been necessary for the public servants of that State to refrain for six or seven years from giving expression to their views on public questions? What must be the effect of the suppression of honestly held opinions? The continuance of such a position would mean the destruction of manhood. Do honorable members think that the Public Service of Queensland would have remained in that state if they had had a proper Court to which to appeal? I think not, and I feel that there are honorable members who could speak of a like position of affairs in regard to the Public Service of other States.

Mr. O'MALLEY.—The public servants of Victoria are slaves.

Mr. FISHER.—I am speaking only of what I know. I appeal to honorable members to say whether it would not be more dignified from a parliamentary point of view, and better for the Commonwealth and the States, if the public servants were brought within the scope of this Bill? I have to express my extreme regret that the Prime Minister, for whom I venture to say we all have the greatest respect, has found himself unable to go as far in this direction as some of us desire. It is no pleasure to me to find myself at variance with the honorable and learned gentleman in this respect; but those who hold views such as I have expressed are bound to come forward and seek to give effect to them, whatever the consequences may be. In such cases it is our duty to submit a proposal to give effect to our views, and undoubtedly a newly elected Parliament should be able to declare its opinion in these matters.

Mr. DEAKIN (Ballarat—Minister for External Affairs).—The amendment submitted by the honorable member has been proposed by him in a manner that is absolutely unexceptionable. He has stated his case with his customary fairness and consideration for the views of others who differ from him; but I have to submit, in the first instance, that the honorable member approaches the consideration of this amendment and its effects from a stand-point which is not open to him or to any of us. He may be, and is, entirely justified in enunciating as a main principle of his political

action the doctrine that he seeks to extend Commonwealth and State industries into the region of private employment, so far as that may be possible. That may be the first article of his political creed. He is perfectly justified in adopting any means which come to his hand in order to give effect to it; but I contend that he has no such means to his hand as a member of the Federal Parliament, and that the people of Australia, when they created this Commonwealth, not only refrained from endowing the Parliament with that power, but distinctly determined that they would not do so. From the very first time that this question was launched on the political platform, I have striven to avoid taking a merely legal, or what might be termed a strict constitutional position, and under those circumstances have realized the force of an argument which was put before the House last week very forcibly by the honorable member for Northern Melbourne. In the course of his address he used words of warning with reference to any possible curtailment of our powers that might follow from the refusal to include this amendment, on the ground that it was unconstitutional. I do not know that that is an argument which ought to appeal much to honorable members on the whole, but I have always thought that it is one which ought to appeal to the Attorney-General of the day who may be called upon, in discharging one or other of his duties, to advise on such issues in a fashion which might prove very decisive. When this measure first came into my custody, under circumstances which we all still regret, it was as Attorney-General that I spoke, and it was in response to an interjection, I think by the honorable member for West Sydney in the course of the debate, that I replied that I would not willingly give utterance to an opinion which might have the effect, directly or indirectly, of curtailing, or seeming to curtail, the powers of the Federal Parliament. I spoke as Attorney-General, under the special obligations which attach to that office; but now, exercising a somewhat greater freedom, I have still refrained, as far as possible, from appealing to considerations of that character, for the reasons given a few days ago, and I propose to-day to continue to oppose to those arguments only those legal and constitutional statements which seem likely to affect the minds of honorable members. This has tied and

will tie my hands, but the mode has its compensations. I am not addressing the High Court, a Court of Appeal, or a Court of first instance. I am addressing a House of Parliament, which, though it contains a number of professional men, approaches these questions on grounds which include the legal and the constitutional, but which also embrace political considerations. Consequently I have no complaint to offer because the honorable member who moved this amendment thought fit to avoid what really will be the crux of this question—the strictly legal and constitutional issue—which must certainly be raised. I regard that issue as of immense importance; I regard the principle embodied in this amendment as lying at the very foundation of our Federal form of government; if that be destroyed, in my opinion it will bring to inevitable wreck and ruin, the whole superstructure, so far as it is Federal. But while I take that ground on the question of principle, I am free to admit, as the honorable member has candidly admitted, and as the honorable and learned member for Northern Melbourne most frankly admitted last week, that, looked at from the practical stand-point, it might be difficult for a bystander to discover precisely what was the vital issue on which we are divided. The amendment proposes to substitute a positive for a negative. The Bill contains an express provision that it shall not include the servants of the States, and the Bill as proposed to be amended will contain a positive provision that it shall. We are faced by two propositions: First, that we have power to bring the servants of the States under the control of the Commonwealth; and, next, that, having the power, this is the proper time and place to exercise it. The amendment moved by the honorable member is similar to the one which was moved in the last Parliament by the honorable member for Kennedy. That proposal was negatived, and it was negatived probably because a number of those honorable members who agreed with him, thought with the honorable and learned member for Northern Melbourne, that the word “industrial” in the particular grant of power with reference to arbitration and conciliation excludes public servants, as well as private employes, who are not engaged in an industry, and that, therefore, this was obviously an extension of authority to which we could lay no sound claim. Assuming that the opinion in the House will follow something of the same trend, as the

amendment includes all public servants, I shall not be unfairly taking an advantage of the honorable member in replying, if I deal only with the strongest case to be submitted—that on behalf of the railway servants, which will be laid before the Chamber very shortly.

Mr. McDONALD.—Why not deal with it when it comes up?

Mr. DEAKIN.—Because to do so would be to duplicate the debate. If I am to apply myself merely to the question whether public servants, other than railway servants, can be dealt with in this amendment, I can conclude my remarks in a very short time; but, by doing so, I cannot confine the debate to that branch of the question. Although I admit that there is a difference, and a broad difference, between them on the grounds mentioned, yet, so far as the principle is concerned, it is the same in either case, whether we take a clerk in the Chief Secretary's or the Attorney-General's office, and say that his employment is not industrial, and that, therefore, he is excluded, or, whether we add him to the railway employes. Both are State servants. I do not think that honorable members who differ from me can complain that I am not meeting them fairly if I deal with what is avowedly very much the strongest part of their case. The honorable member for Wide Bay was perfectly justified when he said that one of the elements to be taken into account is the change in the conditions of industrial employment which has been brought about by the entrance of political bodies; whether State or Commonwealth into the field as employers. That marks a very considerable development on different lines from those upon which our race was accustomed to proceed a hundred years ago under forms of government such as we now enjoy. I do not dispute that this implies a difference in the application of the principles by which we are to be swayed. But, nevertheless, that argument of the honorable member's does not appear to me to be final in this matter, because, when the Constitution was drafted, these forms of State action were familiar to every one of its framers, and when it was voted upon they were within the knowledge and before the eyes of every citizen of Australia. When it was shaped, as I believed it was, with no view to include public servants of any class, no distinction was made, or intended to be made, between those who could be, and those who were not engaged in what might be strictly termed indus-

trial disputes. The strong ground on which the argument I propose to maintain is based is that, nowhere in the Constitution can honorable members discover an indication that it was the intention of its framers, or the intention of those who adopted it on the exposition of its framers, to include State servants of any class. I put that on the broadest ground. But I do not for that reason abandon the contention to which the honorable member referred—and very fairly referred—that, so far as any practical result is likely to follow from this amendment, we shall seek far before we find it, and probably shall never find it, under any condition of circumstances. On this subject I am happy to be supported by no less ardent an advocate of the amendment than the honorable and learned member for Northern Melbourne. He said in his speech last week—

I agree with the Prime Minister that it is difficult to see how a railway dispute could extend beyond the limits of a State.

And in almost the next sentence the honorable and learned member said—

It is hard to conceive of a case. •

If so staunch an advocate of this amendment as the honorable and learned member for Northern Melbourne felt compelled at the outset of his remarks to make that admission, we may be perfectly certain that we are safe in going that length, if not a good deal further. We must recognise that, although the ostensible—and, indeed, the real—object of the amendment moved by the honorable member for Wide Bay is to allow the railway servants to be dealt with by the Commonwealth Arbitration Court, that object is rendered in effect impossible by the terms of the Constitution. The requirement that a dispute within the jurisdiction of the Federal Arbitration Court should be one extending beyond the limits of any one State is a requirement with which, in this instance, it is practically impossible to comply.

Mr. WILKINSON.—Why?

Mr. DEAKIN.—For the reasons which I have given—that as the employes of a State are controlled by the State's laws, and work under its conditions, a dispute occurring in one State would not be a dispute that could extend to another State where the laws and conditions were different. As the honorable member for Angas put it, there would be no unity of interests on the part of the employers, and no unity of interests on the part of employes.

Mr. WILKINSON.—That condition could be brought about.

Mr. DEAKIN.—It can never be brought about to the extent and in the degree which would be required to enable any such dispute to extend beyond the limits of one State, in the sense in which the honorable and learned member for Northern Melbourne, myself, and others read that provision of the Constitution.

Mr. PAGE.—The Minister for Railways in Queensland during the recent strike supplied the Victorian Railways with scabs.

Mr. DEAKIN.—Suppose he did—that did not make the dispute extend beyond the State in which it occurred.

Mr. PAGE.—He took sides with the Victorian Government against the workers.

Mr. DEAKIN.—I do not know the facts, but, if they were as stated, the Court would, in my opinion, say that no such action as that furnished the required qualification to enable the dispute to extend beyond one State, in the sense in which the authorities to whom I have alluded would read that provision.

Mr. WILKINSON.—Suppose the Railway Commissioners in all the States agreed to make a 10 hours' day instead of an 8 hours' day?

Mr. DEAKIN.—Suppose they did, there would still be insuperable difficulties in the way of making a dispute on such a question extend beyond the limits of a State. But if there were a possibility of such an event the Railway Commissioners would take every care to adopt no such course as would bring them jointly under the control of the Arbitration Court.

Mr. GROOM.—Does the Prime Minister say that it is legally impossible or practically impossible?

Mr. DEAKIN.—Practically impossible; and I have the authority of the honorable and learned member for Northern Melbourne in support of my contention. That being the case, it may be said—"Well, if the amendment cannot afford to the railway employes the protection intended—if that is admitted even by some of the strongest supporters of the amendment—for what reason is the amendment being pressed to this issue?" It is being pressed to this issue in order to determine, as I have said, two questions. The first question is whether the Commonwealth has power to include the servants of a State at all—and especially the railway servants. If we do not possess the power,

confessedly, we are beating the air—confessedly, we are taking a step which can have no result, and can bring no relief. That question, as the honorable and learned member for Northern Melbourne said, can only be finally determined by the Court—the High Court in the first instance, and possibly the Privy Council in the second instance. The question therefore, is one of power or no power, at the very outset; yet that is a question which, although we are engaged upon it, we cannot determine.

Mr. FISHER.—In a matter involving the interpretation of the Constitution, would not the High Court be the Court of Appeal?

Mr. DEAKIN.—With the consent of the High Court an appeal could be taken to the Privy Council. On that point—although it must be due to a misunderstanding—the honorable and learned member for Northern Melbourne disagreed with me; but I fancy that if any question could be raised, which involves the rights *inter se* of the Commonwealth and the States, this is one of those questions; and, on further consideration, I think that the honorable and learned member will possibly agree with me. But I do not desire to dwell upon that point, and only mention it in order to elucidate this question as clearly as I can, and to separate from it the theoretical and abstract considerations. It is extremely doubtful if we can touch the railway servants at all. What, then, are we contending for? For this: A number of honorable members say that we should assert the power on the chance that we have it, because if we have the power it is one that ought to be exercised here and now, and in relation to this particular measure. To which argument I make reply: That on the broad question whether the power should be exercised here or now, in my opinion, it should be exercised neither in this measure, nor at this time. I have given reasons, which I need not repeat, for taking up that ground. It appears to me that if the Commonwealth possesses this power, and can bring the railway servants within the scope of the Arbitration Court, it should at least stay its hand for a sufficient time to enable the States individually to follow the course which two of them have already taken, of establishing their own Arbitration Courts, and of remitting the consideration of the circumstances affecting their employes to those Courts. Until that opportunity has been afforded, and has

failed, and until in the meantime the Arbitration Court has been established for a sufficient period to allow its procedure to become settled, and to allow the principles upon which it acts to become known to the public generally, there is little or nothing to be gained by including the public servants of the States, if we could include them in this measure; and certainly nothing to be gained by imposing upon the Arbitration Court, in the first hours of its creation, problems among the most complicated that it is possible to conceive, so far as they are of an industrial nature. These are problems which, I am sure, if honorable members themselves were about to become members of the Court, they would ask to be postponed until they had had an opportunity as a court of dealing with a sufficient number of cases between private employers and private employes, to enable them to come in touch with the conditions of industry obtaining in Australia, and to master the relationship between employers and employes, so that they might approach the immensely intricate questions involved in the consideration of the great State services with the advantage of the experience gained in dealing with less extensive and less complicated questions, free from all political associations. I do not desire to dwell on these points, and have indicated them merely in passing. Let me now say that I listened with surprise to the honorable and learned member for Northern Melbourne in the one line of argument which he addressed to this portion of the case; that is, to the question of expediency. The honorable and learned member said—

If we once concede that it is not in the power of this Parliament to provide for disputes in which State servants are concerned, and which extend beyond any one State, we shall lay down a precedent which will be a guide hereafter, and it will be taken for granted that we have not the power.

Parliamentary precedents are valuable; so far as they relate to the same Parliament they are usually binding. But it is perfectly possible, as my honorable and learned friend knows, for a new Parliament, if it think fit, to sweep away all the precedents which surround it, and create new precedents.

Mr. HUGHES.—It is difficult.

Mr. DEAKIN.—We have not even the obligation which rests on courts of law—more an obligation of convenience in many cases, than of principle—to follow the

precedents laid down for them in similar cases. We are absolutely free, as a Parliament, to deal with every case that presents itself, although there may be a presumption—very often a weak presumption only—that future Parliaments will follow the precedents established by their predecessors. When the honorable and learned member for Northern Melbourne says—

We are the repositories of a most important trust for the people of Australia, both present and future, and we ought not, unless there is good ground, to surrender any of the powers conferred upon us by the Constitution,

I agree with him. But I deny that it is possible for this Parliament, even by an Act which received the Royal assent, to limit its own powers under the Constitution. These constitutional powers, whatever they are, stand above and quite independent of any of our acts. They stand there, not to be sacrificed by any Parliament; they stand there, the gift of the people of Australia, to be taken away by no less an authority than the people, when they think fit to do so, under the Constitution. When, therefore, the honorable and learned member for Northern Melbourne employed language of that kind, I asked myself with much astonishment, what could possibly be the sense in which he used it? The honorable and learned member went on to say—

It will be found practically impossible in future Parliaments to exercise the power if we fail to assert it now.

I can only say that I have never known a State Parliament pay that amount of consideration to the acts or formulas of its predecessors. On the contrary, I have sometimes found it a most difficult task to persuade one Parliament to adopt and obey the precedents of its predecessor. In fact, the argument which I am maintaining now is very largely a difficult argument; and why? Because I am asking this Parliament to follow an American precedent—to adopt a precedent established by another Parliament, but under a very similar Constitution. It is a difficult contention, because the members of this Parliament feel in that respect that if they please they can create precedents for themselves. Therefore, it appears to me that this argument of my honorable and learned friend, who is usually so powerful in his logic, is not justified by the circumstances of the situation. The honorable and learned member at page 1037 of *Hansard* is reported—

We are asked to refuse to extend the operation of this Bill to the public servants of the

upon the ground that we do not possess the constitutional power to take such action. With me that consideration overweighs any question of expediency. If we believe that we have the necessary constitutional power, by all means let us exert it.

It will be remembered that the honorable and learned member was then considering the question of expediency, and his answer is—"If we have the power, let us exert it." The honorable and learned member went on—

Now is the only time for us to exercise it. We must speak now, or be for ever silent.

I wonder under what circumstances it could be said that a Parliament "must speak now, or be for ever silent." That Parliament remains to be created. The honorable and learned member proceeded—

When we are told by the Government that we do not possess this power, we must insist upon testing the question.

As a mere matter of expediency, as honorable members will see. At page 1035 the honorable and learned member is reported—

The mere fact of that ground, that we have not the power, being put before us, makes it expedient to test the question, whether we have it or not.

That is the most unusual view of expediency, and of consideration of expediency, to which it has been my privilege to listen. I could understand the honorable and learned member basing his argument on such a ground in a matter of principle; but when confessedly weighing arguments for and against expediency, he argues that we must exercise every power we have on the first occasion, and to the utmost possible extent, I ask, where does expediency, or its possibility, begin? However, these remarks were prepared in the hope that my honorable and learned friend would have had an opportunity of listening, and, perhaps, replying to them, if he thought necessary. I do not propose to take honorable members once more through the constitutional considerations submitted to them a few weeks ago. These have not yet been challenged, except by the honorable and learned member for Northern Melbourne; and I shall wait until they are further traversed. Allow me to point out that the honorable and learned member and one or two other honorable members—the honorable member for South Sydney particularly—who, looking at the Constitution, find that in a number of places, where

Mr. Deakin.

it is intended to restrict the power of the Commonwealth with reference to the States, there is in these cases specific mention of the States, appear to proceed on an assumption, justified when dealing with most Acts of Parliament, that it is a fair inference, when they find States specifically mentioned in one part of the Constitution, that they are not deemed to be dealt with, unless they are also specifically included, in other parts of the Constitution. I must submit with great deference to the honorable and learned member for Northern Melbourne any citation from American authorities, after the wholesale fashion in which he dismissed them. But the honorable and learned member must be aware that under the United States Constitution, which after all is the nearest to our own—which was framed under circumstances in many respects most similar—it is an accepted doctrine that so far as the Constitution is concerned the specific gift of a power does not limit any other grant of that power which may be contained within the Constitution. And if, as we have every reason to anticipate, our Court will largely be swayed by American principles and American practice, when dealing with provisions taken from the American Constitution and based on American practice, and will, when dealing with them, attach some importance to the leading principle of the interpretation of the Constitution of the United States—if that principle be adopted, the whole series of arguments already addressed to us on the matter disappear from our view. The honorable and learned member for Northern Melbourne was unbridled in the contempt which he expressed for American decisions in relation to the interpretation of the Australian Constitution. The honorable and learned member said, as reported on page 1036 of *Hansard*—

Concerning American decisions, I have long held the opinion that they represent what the Judges thought the Constitution ought to contain rather than what it does contain.

Mr. WATSON.—That is admitted in some cases.

Mr. DEAKIN.—Very possibly; but the argument is entirely irrelevant just now. We are not asking that the Judges' decisions shall be employed when interpreting our Constitution, simply because that would be advisable. Our stand-point is not legal in the ordinary sense of the term, but is the broad, common-sense recognition of the facts and circumstances under which this Constitution was shaped. How

was the Constitution shaped? With the exception of the honorable and learned member for Northern Melbourne, every member of the Convention had his mind full and his mouth full, as the debates were full, of citations of American practice, American principles, the American Constitution, and American judgments. If these had no value before—if they had no meaning or significance before—we then made them our own. We dealt with them in this very Chamber, and in Adelaide and in Sydney; we breathed an atmosphere of precedents, chiefly American. The American Constitution, American authorities, and American inferences were on every lip. Sections were put into the Constitution, one, as it happens, by myself, based on nothing but a chain of American decisions. Some sections of the Constitution, which perhaps at present most embarrass those who are contending for a simple interpretation of it, arise from the fact that, instead of resting simply upon the broad powers conferred by the American Constitution, as, for instance, in the trade and commerce sections, we went on out of caution to provide against possible danger, to embody in special sections of our Constitution developments which in America are judicial decisions. There is only one man who was a member of the Convention who has a right to follow the line of argument to which I refer, and that is the honorable and learned member for Northern Melbourne. He is perfectly consistent in the position which he takes up, but there were forty-nine other members of the Convention, not a single one of whom at any time adopted the honorable and learned member's view in that respect. The honorable and learned member says, speaking of American decisions—

I do not think these cases have anything to do with this matter.

I say, with all respect, that every member of the Convention will admit that American cases and the difficulties which they raised were in our minds at every turn.

Mr. HUGHES.—We are not bound by the intention of the Convention in the slightest degree.

Mr. DEAKIN.—No.

Mr. HUGHES.—Then why labour the matter?

Mr. DEAKIN.—But this is not merely intention. My honorable and learned friend is perfectly aware, as we all are, that in cases of difficulty, particularly in the interpretation of a Constitution, we are justifi-

fied in looking at the circumstances under which that Constitution arose. We are justified in looking at the laws and conditions which were before the members of the Convention that drafted it. We are justified, whenever in interpretation we are confronted by a doubt or an ambiguity, in looking at the materials out of which the Constitution is built. Let honorable members look at that Constitution with the most cursory eye, and they will be compelled to grant that four-fifths at least has been built out of materials quarried from American legislation and American decisions, and requires to be interpreted upon American principles, if at all.

Mr. LONSDALE.—That is the objection to it.

Mr. DEAKIN.—I know that the honorable member for New England has almost the same right to object as the honorable and learned member for Northern Melbourne, because he fought the Constitution upon the ground that it was too American.

Mr. McDONALD.—And too little Australian.

Mr. DEAKIN.—Exactly; that we imported too much of the United States Constitution. That was used by them as an argument against the Commonwealth Bill, but the argument is inverted now, because what is proposed does not suit their interpretation of a particular section. If that were a sound argument before the Convention as used by my honorable and learned friend the member for Northern Melbourne it is a sound argument now if used by him, and by those who agree with him. They argued that this Constitution should be refused because it was too Federal and too American, and I ask them why they should now assert that it is neither Federal nor American? The two positions are inconsistent. The honorable and learned member for Northern Melbourne is otherwise perfectly consistent. He never has been a federalist, and has never pretended to be one. In and out of the Convention he fought for the unitary principle, giving this Parliament, so far as possible, the ample powers of the British House of Commons.

An HONORABLE MEMBER.—And the referendum.

Mr. DEAKIN.—Yes, but I am speaking now only of the Parliament. His consistent contention was that we should not be hampered. He uses the same language now. How does he speak of Federation and our

Federal Constitution? At page 1034 he is reported to have said—

These rigid Constitutions are like prisons, and when we talk about whether we have this power or that, the question is one merely of the range of the walk within our prison. Unfortunately, we are hampered, and we shall continue to be hampered in the development of legislation and in the improvement of this country by being pulled up in this way by the limits of the Constitution.

That was the honorable and learned member's attitude in the Convention, and when the Commonwealth Bill was before the country. It is a perfectly consistent attitude upon his part; but it was an attitude which the Convention, by an overwhelming majority, repudiated. The Convention adopted a different course. It framed a Federal Constitution, and it is common knowledge to every honorable member present that the Constitution was designed to preserve the Federal principle by a limitation of the powers of this Parliament in the interests of the States. What we had to meet on the other side was an argument against these limitations, against these restraints of the power of this Parliament, and in favour of rendering the States Parliaments merely subordinate bodies. That was the whole fight of the Federal campaign, and it is that fight that is being renewed upon this occasion.

Mr. CARPENTER.—The honorable and learned gentleman should not say that.

Mr. DEAKIN.—That fight is being renewed. It is perfectly consistent for advocates of a unitary government to propose the application of this power if it exists—and I say it does not—or the use of it if it is there.

Mr. FISHER.—All we are asking is that the Court shall be allowed to determine if we are wrong.

Mr. DEAKIN.—When my honorable friend says that this is all that he asks, he exhibits some trace of the nationality from which he springs, because with pre-eminent caution he knows that he is bound to allow that whether he likes it or not. The honorable member is making me a very handsome present of something which he cannot keep back.

Mr. FISHER.—But we do that in every Bill.

Mr. DEAKIN.—Never, I hope, intentionally. I take it that the duty of this House is not to find work for the High Court, or to create problems for the High Court.

Mr. JOSEPH COOK.—Did all this constitutional argument take place upon this matter in the Convention?

Mr. DEAKIN.—Certainly not. The argument then rested chiefly upon the merits of arbitration and conciliation. This question did not arise; but, as my honorable friend raises the point, I venture to express the opinion, in the presence of men who were members of the Convention, and will recollect its proceedings, that no suggestion of this kind passed through the mind of any member of the Convention, and that if it had been made it would have been absolutely fatal to this section. I voted for it each time. We voted for it three times, and carried it by the merest chance, and by the closest majority.

Sir JOHN FORREST.—With the help of Western Australia.

Mr. DEAKIN.—State precedents were our stumbling-blocks at every turn, and I think the fact that Western Australia had passed an Arbitration Act, in which the people of that State believed, had a very important bearing upon the discussion.

Sir JOHN FORREST.—We had not passed such an Act then.

Mr. DEAKIN.—I think the Western Australian Parliament was just going to pass it.

Sir JOHN FORREST.—They had no idea of passing such an Act then.

Mr. DEAKIN.—Then my argument is faulty to that extent. I have only one other observation to make to the honorable and learned member for Northern Melbourne. The honorable and learned member said, referring still to American decisions—

The only judgments which have been given by Australian Courts are to the effect that these American decisions do not apply here.

With all respect, I take leave to differ from the honorable and learned member. American decisions have been quoted in quite a number of cases in the Courts, and have always been listened to with great respect. In two cases, when asked directly to adopt such a decision, one the Wollaston case in Victoria, and the other the import duty case in New South Wales, the Court did not follow the American decisions, not because they differed from them, but because they adopted in the first another view of later American decisions which were put before them in the Victorian Court. Under guidance they came to believe—and I am unable to share their

belief—that there was a distinction between the cases before them and the famous case of *McCulloch v. Maryland*. The other case, in Sydney, was decided not upon the American decisions, but upon our statute itself and upon the relations of the Crown to the States, conditions which do not obtain in America. Where the circumstances differed, as they were believed to differ in these two cases, no one could expect the American precedents to be followed. The judgments were given, not in defiance of the American decisions, the value of which were fully recognised, but upon other grounds. The honorable and learned member for Northern Melbourne went on to say—

Similarly, the only judgment given by the Privy Council is one which tends to show that they do not apply even in Canada.

He was no doubt referring to the case of *Lambe v. Bank of Toronto*. There, again, the Privy Council held nothing like the view attributed. What they decided was that, under the express terms of a special Canadian statute, they were called upon to give a certain decision, and they gave it. It is true that they added certain *obiter dicta* as to the interpretation of the Canadian Constitution, but these contributed little or nothing to our knowledge, and formed no part of the actual judgment.

Mr. GLYNN.—We shall probably have more light thrown upon the subject next week.

Mr. DEAKIN.—Yes, when the Tasmanian stamp case comes before the High Court on 26th April, we shall probably ascertain how the High Court regards American decisions. Then there is the rating case in Sydney, which will also be the subject of an important judgment.

Mr. WATSON.—Those cases may be decided independently of anything that has happened in America.

Mr. DEAKIN.—That is quite possible, but in both cases the American decisions were largely cited, and we shall shortly have an opportunity to judge how the High Court proposes to regard them in the future.

Mr. JOSEPH COOK.—That knowledge may come too late.

Mr. DEAKIN.—Probably too late to save the Ministry, but not too late for our guidance in legislation.

Mr. O'MALLEY.—Perhaps the debate had better be suspended until the decision of the High Court has been given.

Mr. DEAKIN.—The suspension will be of another character, short, sharp, and decisive. I wish now to address myself to another comment of the honorable and learned member for Northern Melbourne. He said—

The Prime Minister has attempted to apply to our circumstances the United States decisions as to taxing Federal and State incomes, and has given us the benefit of an elaborate argument, which, I understand, has led him to the conclusion that we should violate some mystic Federal principle if we were able to include State public servants within the operation of the Bill. I confess that I do not see what the principle adopted in America with regard to taxing Federal incomes by the State, or State incomes by the Federal power, has to do with the interpretation of our Constitution so far as it relates to our power of legislation in regard to conciliation and arbitration.

But for that statement, I should not have wearied the House—and I hope I shall not do so now—by even a reference to the argument. I quoted the decisions of a number of the leading Judges of the United States, because they, in the clearest and briefest fashion, indicate to us the principles of interpretation pursued, whenever the State and central Governments of the country came into conflict. I thought that they made perfectly plain that the decisions were based, not on any mystic principle, but upon the plainest and most common-sense business principle. These decisions appear to me to lay it down clearly that Federation consists in a central Government and a number of other Governments working within that Federation, and that the very essence of the Federal principle is that each Government shall be guarded against intrusion and invasion by the other in regard to the means and instrumentalities by which each carries on its special work. I submitted that, not as a mystic principle, or as one needing elaboration, but as the solution which I venture to think would suggest itself to any body of business men gathered together to determine the manner in which one Government, all embracing and self-contained, but limited in scope, and other Governments, retaining all except specified powers, and absolute rights of self-government in these, should work together. It seems to me that the American solution is the most common-sense and direct, since it gives the central Government the full benefit of the Federal charter, while never allowing it to cripple the States, and concedes to the States the full exercise of the residual powers which make for their importance

and allow them to carry on their work, not interfering with the agencies or instrumentalities of the Federal authority.

AN HONORABLE MEMBER.—But suppose there is a conflict between the Federal and the States Governments?

MR. DEAKIN.—The Federal charter is intended to prevent that conflict, and the manner in which it does prevent it is clearly set out in the Constitution. I venture to submit that the principle I have enunciated was in the minds of the framers of the Constitution and in the mouths of those who advocated the Constitution from the public platform when it was submitted to the people, and that it is uppermost in the minds of its defenders to-day. The principle is that there shall be no invasion or trespass on either side, but that each authority shall have absolute freedom in carrying on its work with its own agencies.

MR. HUGHES.—But the whole question is as to the powers granted under the Constitution.

MR. DEAKIN.—No doubt; and I am mentioning how the framers of the Constitution interpreted it, how those who supported it on the public platform regarded it, and how those who are now defending it in this House view its provisions.

MR. WATSON.—It is only with the interpretation of those who are here that we need concern ourselves.

MR. DEAKIN.—Honorable members are now being called upon to decide the question. They are being asked to vote for the amendment under the belief that the High Court will hold that they have the power to achieve something practical.

HONORABLE MEMBERS.—No, no.

MR. DEAKIN.—Then is it not desired to achieve something practical?

MR. O'MALLEY.—Yes, but we are not deceiving any one.

MR. DEAKIN.—If honorable members rely upon the belief that an amendment such as that now before us will afford any form of relief, they must be deceived.

MR. O'MALLEY.—That is a question of law.

MR. DEAKIN.—No doubt, but honorable members will agree that, whether they accept the principle or not, there is nothing mystic or unintelligible about it. It is concrete, so that he who runs may read, and it affords an excellent working rule, even though it may not be contained in the Constitution. I think, however, that the Constitution favours it.

MR. FISHER.—Is it not a fact that some of the States receive back more than three-fourths of the revenue from Customs, although that is not provided for by law?

MR. DEAKIN.—Yes; but that matter has not been made the subject of a legal decision.

MR. PAGE.—Then let us place this Bill in the same position.

MR. DEAKIN.—It is all very well for the honorable member to suggest that; but what would be the effect? If the High Court holds, as I believe it will, that the provision is *ultra vires*, no harm will be done. But suppose that the opinion of honorable members who are supporting the amendment proves to be right, the Bill will include within its scope the public servants of the States, and in regard to those servants will at once become operative. Therefore, we are not being asked to submit a question of law for the decision of the High Court, but to agree to whatever would follow a decision of the Court, even if it supported the view entertained by those who favour the amendment.

MR. PAGE.—The Prime Minister has already argued that nothing could follow.

MR. DEAKIN.—That is my view; but the honorable member's view—and I hope he will appreciate the high value which I attach to his legal opinion—is that something will follow. The honorable member ought to be satisfied with making that impression upon me, and agree not to press the amendment in its present form. Although I have tried to reduce to their true proportions—as I feel justified in doing—the practical results which would follow the adoption of the amendment, and have given a definite opinion upon the legal aspect of the matter, I do not pretend that the amendment is a mere detail or a mere trifle. It is as important as the whole Bill. I say again that it goes to the very root of the Federal principle. This question will divide honorable members definitely, so that on the one side will stand those who, Federalists in principle, believe that the Constitution is framed on broad lines which preserve what I call the Federal rights of the States—not those States rights which come into conflict with those of the Federation, but those which must be preserved if we are to have a Federation at all—while on the other side will be found either the advocates of a unitary form of government, or those who are prepared to take a step which will lead

us in the shortest possible time to the exercise of powers which can attach only to a unitary form of government, and whose exercise will inevitably destroy the Federal principle.

Mr. CARPENTER.—The honorable and learned gentleman should not say that.

Mr. DEAKIN.—Why otherwise should I be found arguing against an amendment which I do not think is good in law, and which I think, if carried, will have no legal effect? I am justified in laying this stress upon the point only because I hold it to be of great importance even when whittled down, and believe that the result of carrying the amendment, whatever the extent of its operation, would be disastrous. Why otherwise should I plead and argue with the majority opposed to me, if I did not feel the absolute necessity of putting it upon record how wide and deep the difference must be and remain upon this question between those on the one side and those on the other? I do not say this for the purpose of altering votes, because it will not alter votes; I say it to make the situation clear. Closely as I and those with me are connected with many who upon this question will be found voting against us, the division will drive between us a deep gulf which nothing except a decision of the High Court can cross, and even that may not. We must be content to take opposite sides, and to realize the supreme importance of the issue. Would honorable members who support the amendment be putting their force, energy, and zeal into carrying it, if there were nothing in it but the settlement of a mere abstract question? Are they such bad generals? Have they such a poor knowledge of the situation? I acquit them entirely of being influenced by the secondary bearing of this proposal—its bearing upon the fate of the Government. It was not moved with the object of ousting the Government, and it is not being pushed forward by them with that object. There are, of course, men who will vote for it, not because they believe in the proposal, but because they do not believe in the Government, and wish to see us depart from the Treasury benches.

Mr. WILKS.—What right has the honorable and learned member to say that?

Mr. DEAKIN.—Honorable members have a right to support the amendment with that object if they choose; but if they vote for it they will afterwards find themselves unable to separate themselves from the great

declaration of principle involved, which is that this Commonwealth is to cease to be a Federation, and is to become a unitary form of government, with subordinate States under the heel of the Federal Parliament. The people of Australia could say that that must come about; they have the authority to do so. They have only to amend the Constitution to sweep away any and every particle of Federal principle in it. They have not done so; I do not believe that they ever will. They could do so if they pleased, and those who think that they should do so are justified in advising such action. But let them recognise where they are going. It will be impossible for them afterwards, however much they desire it, to separate themselves from the consequences of this step. Those who honestly believe that this is a proper occasion for the exercise of these powers must not forget that. Why should we lay the axe to the root of the Federal tree?

Mr. CONROY.—It has taken the Government three and a half years to learn and to keep to one principle.

Mr. DEAKIN.—The honorable and learned member has, for more than three years past, been trying to make a relevant interjection, and has not succeeded yet. I wish to make another quotation from the speech of the honorable and learned member for Northern Melbourne. This was one of the legal arguments which he addressed to the House—page 1036—

The Constitution itself gives us power to interfere even with railway rates. There is nothing that will so materially affect the railway estimates as the provision in the Constitution having reference to preferential rates. That will make a tremendous difference to the lines adjoining New South Wales and Victoria. It will mean a great loss of revenue in some cases, and a great increase of revenue in others. The States must submit to having their finances interfered with.

The honorable member for Wide Bay pursued a similar line of argument this afternoon, when he said that to contend that the passing of this measure involves the taxation of the States is to say nothing, because any Court to which the States have chosen, or may choose, to submit themselves, or the High Court to which, under the Constitution, they must submit themselves, may at times by its decisions cast them in damages, declare their existing obligations, and require them to fulfil them. So far as the High Court does that, and that only, the parallel is perfect. But the High Court does a great deal more, in

regard to which there is no parallel. The Bill not only creates an Arbitration Court, it creates new obligations. It is not the creation of the Court which makes any difference. The existence of another Court to which the States submit themselves to declare what their obligations are, or the addition of another half-dozen Courts, makes no difference to their obligations; it only multiplies the authorities which can say precisely what those obligations are. The amendment means new taxation to the States, because it imposes upon them absolutely new obligations, obligations which do not at present exist. The Bill imposes upon private employers obligations which do not at present exist, but under the Constitution we have the right to impose them. The amendment, however, imposes new obligations upon the States, because if we accept it we say to them—"We shall create a Federal tribunal which will be competent to alter and regulate the employment of your servants as to wages, hours, apprentices, conditions of work, payment for piece-work, and every other detail." These alterations may involve great increase of responsibility, and may require fresh taxation.

Mr. GLYNN.—And will have to be recast at the end of five years.

Mr. DEAKIN.—Possibly.

Mr. CONROY.—Will not the Court be a Court of Justice?

Mr. DEAKIN.—In this case it is not the creation of the Court that means anything, it is the creation of new obligations. No one argues that the creation of a Court will impose any fresh tax upon the Commonwealth, although the cost of its maintenance will be paid by us. But to impose a fresh obligation to pay whatever rate of wage, and to comply with whatever conditions the Commonwealth Arbitration Court may think fit to require, is to tax the States. If the measure created no Commonwealth Court, but merely laid down these new obligations, leaving it to the Courts of the States to determine their limits, that would be the same trespass upon the rights of the States. It is not the creation of a new Court, but the creation of new obligations which imposes taxation. When honorable members refer to the powers of the Commonwealth to interfere, through the Inter-State Commission, with State railway rates, they overlook the whole point. The creation of the Inter-State Commission for that very purpose is provided for in the Con-

stitution. The power to create it is conferred by that instrument upon the Federal Parliament. It was necessary to confer that power upon this Parliament to enable us to exercise it over the States.

Mr. FISHER.—We hold that the Constitution has conferred upon us the power to legislate for arbitration affecting States servants.

Mr. DEAKIN.—It is no argument to say that because the Constitution confers the power to interfere in regard to railway rates, through the Inter-State Commission, therefore States servants are included in the clause relating to conciliation and arbitration. The right to create the Inter-State Commission is expressly given in the Constitution, and the powers of that body are defined there. The last quotation I shall make from the speech of my honorable and learned friend is one of which I do not understand the purport. He is reported, on page 1032, to have said—

I see on the face of the Bill evidence that it was meant to apply to the public servants of the States, but for the insertion on page 3 of certain words.

My honorable and learned friend is in error there. As I have often said, the Bill, without the words proposed to be amended, would not apply to the public servants or to the railway employees of the States, because we cannot deal with them. The Convention could have placed such a power in the Constitution, which, having been approved by the people, we could have exercised, but nothing short of an amendment of the Constitution in that direction will now enable us to apply this legislation to the servants of the States. The words were placed in the Bill, as was explained to the House, when the right honorable member for Adelaide made his regretted departure from the Government. He held with the honorable and learned member for Northern Melbourne, that, without those words in the Bill, the servants of the States would be included. I held, just as positively, that, without them, they would not be included. Were we, as a Government, to come down to the House, one Minister telling honorable members that the public servants of the States were included, although the provisions of the Bill did not expressly apply to them, while another Minister said that they were not included? Or, when the present Government inherited the Bill, were we to make no reference to the public servants of the States? Were we to tell the House that the measure did

not include them, because it did not refer to them, while the honorable and learned members for Northern Melbourne and Darling Downs, and others, said that it did include them? Would it have been fair to ask the House to vote for a Bill in regard to which there was an open conflict of opinion as to whether the public servants of the States were, or were not, included? This is why these words appear on the face of the measure. They are unnecessary words in a legal sense; indeed they are unnecessary in every sense, except that of rendering the political position perfectly plain, explicit, and straightforward upon the face of the Bill. From their standpoint, my friends opposite are quite right not to content themselves with striking out these words, relying upon the public servants being necessarily brought under the operation of the Bill. That would have been a devious step for them to take, and one which was not worthy of them. They have adopted the straightforward course. They say what they mean, and mean what they say. They hold that even if, in the absence of these words, the provisions of the Bill really extend to the public servants of the States and the Commonwealth, the amendment submitted by the honorable member for Wide Bay cannot possibly work any harm. I have already defined exactly the Government attitude. We think that the public servants of the States and the Commonwealth should not be brought under the operation of this Bill, for the reason that we have not the power to make it applicable to them. Consequently we put on the face of the measure words which we think are unnecessary, except for the sake of placing our intention beyond the possibility of dispute. These words permit of no doubt as to the attitude of the Ministry upon this question. It is the Federal attitude. Our opponents seek to shear away from the States the buttresses upon which they are relying. Such aggressions must, even more than the financial provisions of the Constitution, bring them into absolute subordination to this Parliament. So far as the finances are concerned, the people of Australia accepted our Constitution with the powers plainly contained in it, after much debate upon them in every State, and with the clear knowledge that there was a great deal involved in them. But they accepted this Bill without a hint from any platform of which I have heard, without a word in any

newspaper which I have read, without a whisper at any meeting of which I can find any trace, that legislation in the direction of conciliation and arbitration should extend beyond private industrial disputes. These the man in the street would naturally interpret to mean disputes in ordinary employment when they extended beyond any one State. We are not taking advantage of any legal quibble, of something which was overlooked at the time—I do not suggest that my friends upon the other side of the House are—but we take up precisely the position which was adopted by the Convention, that we cannot have a Federation unless the States, in the discharge of their immediate duties, in the control of their own Departments, are self-governing. If they are not self-governing, they merely cumber the ground. They had better be swept away openly than undermined by surprise. It is because we recognise the might and majesty of the Federal principle at stake that we oppose the amendment which has been submitted.

Mr. WATSON (Bland).—The Prime Minister, in a speech upon which we may all congratulate him, has sought a broad line of demarcation between the supporters and opponents of this amendment, upon the ground that upon one side are ranged the advocates of unification, and upon the other the Federalists. To me it does not seem to be of any value to seek to whip that particular horse—

Mr. CARPENTER.—It is a good cry.

Mr. WATSON.—It may be a good cry outside; but when the people investigate it, they will see that the answer to it is that even if we desired unification it is beyond our power to obtain it. The custodians of the Constitution—the High Court—have already been appointed, and it rests with them to determine whether or not the amendment proposed is an infraction of State rights. I wish to say that those who think with me upon this question entertain a sincere desire to uphold the Constitution as it was adopted by the people, with the necessary reservation—“until the electors themselves seek to alter it in some direction.” The supporters of the proposed amendment are just as anxious as are the members of the Government to respect the provisions of the Constitution. We differ, however, upon the question of what the Constitution itself provides. Surely that is a legitimate difference of opinion, in view of the confession made by

the Prime Minister a few days ago, that the wording of sub-section xxxv. of section 51 was capable of quite a variety of constructions. It seems singular, when we reflect, that notwithstanding that the Convention contained such a large proportion of the ablest lawyers of Australia, that they were surrounded with the atmosphere of the American Constitution, and that they had all the decisions of the United States to guide them, from those of the great Chief Justice Marshall downwards, they have succeeded in importing into the sub-section to which I am referring as much ambiguity as it was possible to import into so few words. Only the other evening the Prime Minister told us that the last seven words of that provision—

Mr. DEAKIN.—I treated it as if it were divided into seven parts, and for brevity I called them seven words.

Mr. WATSON.—Each of those parts, I understood the honorable gentleman to say, was capable of a different interpretation. Though I am not a lawyer, and consequently not able to argue the matter to the same advantage as is the Prime Minister, it seems to me that there is no doubt as to the interpretation which it is intended shall be placed upon the sub-section, having regard to the constitutional position. It contains no limitations of the powers of the Commonwealth Parliament beyond those relating to matters which are not affected by the contention of the honorable gentleman. The sub-section declares that we may legislate upon matters of—

Conciliation and arbitration for the prevention and settlement of industrial disputes extending beyond the limits of any one State.

I admit that there is considerable doubt in my mind as to the application of the word "prevention" in relation to the words which follow. Again, as regards the construction which should be placed upon the word "industrial," there may be some disputation. There may also be some difference of opinion as to what constitutes a "dispute." But the question which is immediately at issue, that of whether we have power to extend the provisions of this Bill to the public servants of the States and of the Commonwealth, admits of no doubt whatever, because the limitations and exemptions which appear in other sub-sections of section 51 of the Constitution are absent, and I say significantly absent from this particular provision. Consequently, I indorse the opinion which was expressed by the honorable and learned member for

Northern Melbourne, who drew attention to the fact that the very sub-sections quoted by the Prime Minister in his second-reading speech upon the Bill bore evidence of having received different treatment at the hands of the Convention from that which was accorded to sub-section xxxv. In sub-section xiii., for example, the qualification was inserted, that whilst the Commonwealth has power to legislate upon the question of banking, it must be "other than State banking." Similarly, in the following sub-section, whilst we have power to deal with the matter of insurance, it must be "other than State insurance," unless these two forms of enterprise extended "beyond the limits of any one State." Then, again, sub-section xxxiv. provides that the Commonwealth can undertake railway construction and extension in any State only with the consent of that State. In each of these sub-sections the Convention deemed it necessary to clearly express that State enterprises were exempted from their operation. But sub-section xxxv. contains no qualification other than that which comes within the definition of a "dispute," or the limits to which a dispute must extend. There is another phase of this constitutional question to which the Prime Minister has alluded. I refer to what constitutes a "dispute." He argued that it was impossible to conceive of a "dispute" as between the Government and its employés coming within the purview of this sub-section. That is to say, it could not be a dispute extending beyond the limits of any one State. As I interjected at the time, it appears to me that, if that contention be correct, it vitiates the whole Bill as introduced by the Government. The whole of subsection xxxv. of section 51 of the Constitution must be rendered nugatory and valueless, if the contention of the Prime Minister is correct; because, practically, it never occurs that there is any necessary unity amongst employers concerned in what we generally term a strike. If there is, there is no attempt to fine down the dispute, as the Prime Minister has attempted to fine down a dispute among railway employés which would be held to have extended beyond any one State. In interpreting the word "dispute" we must accept its generally understood meaning. We must interpret the words "industrial dispute" as meaning that which is a strike, or likely to result in a strike. The extension of nearly

every large strike, or of the dispute which has led up to it, has almost invariably been by way of sympathetic action on the part of individuals other than those first affected by it, and, so far as my knowledge goes, these continued extensions have been the cause of all the serious strikes or industrial disputes from which this and other civilized countries have suffered. If, therefore, the contention put forward by the Prime Minister is correct—and I cannot assert dogmatically that it is not—it renders the Bill as a whole valueless, and we are simply wasting our time in attempting to place any such measure on the statute-book. Except, perhaps, in the case of the employés of a ship-owner whose ships trade beyond the boundaries of any one State, and whose industry is spread over several States, there would be a difficulty in applying the provisions of this Bill. I do not see how it would be possible to apply the provisions of this measure to any dispute, even amongst private employés, which extended beyond one State, if it were necessary, as the Prime Minister contends, to prove that it was a dispute with the same employer and in respect to the same matter. I may have carried the Prime Minister's argument further than he intended to go, in saying that it must be a dispute with the same employer.

Mr. DEAKIN.—Hear, hear.

Mr. WATSON.—I certainly gathered from his assertion that a sympathetic strike of public servants in one State could not be held to be an extension of a dispute between another particular State and its employés.

Mr. DEAKIN.—Hear, hear.

Mr. WATSON.—Assuming that the same matter were at issue—

Mr. DEAKIN.—My contention was that it must be a real dispute, and not a sympathetic one, on both sides of the border. If the men on the other side of the border were suffering from the same disabilities, the dispute in both States might be the same; but if the men on the other side of the border, in spite of being paid at the higher rate claimed by those on this side, took action, how could it be said that it was an extension of the dispute. They would be already in receipt of all for which those on this side were asking.

Mr. WATSON.—That is another question. I am rather inclined to think that the worst of the class of disputes, to which this Bill is specially designed to relate, would be outside the purview of the

measure, even if the suggestion just made by the Prime Minister as to the meaning of the word were correct.

Mr. DEAKIN.—Possibly.

Mr. WATSON.—That is possibly one reason why the matter should receive further attention. I reiterate that my own experience is that the most dangerous strikes from the stand-point of the general community are those in which there is a sympathetic extension of the original trouble. One is able to very materially localize disputes in which there is no active sympathy shown by bodies which are directly affected. But it seems to me that if this measure is to achieve all that some of us desire, it will be necessary to make it so far-reaching as to prevent the possibility of the whole railway systems of the Commonwealth being idle because of a sympathetic strike. Another matter with which the honorable and learned gentleman dealt was the question of taxation. He replied at some length to the considerations advanced in that regard by the honorable and learned member for Northern Melbourne. There was a refreshing lucidity associated with that honorable and learned member's arguments. They appeared to me to be so clear that they must affect many in whose minds there might previously have been some doubt.

Mr. DEAKIN.—Hear, hear.

Mr. WATSON.—I do not know whether the Prime Minister has realized how far his argument in regard to the question of taxation is likely to carry him. If, as the honorable and learned member for Northern Melbourne argued, the contention was sound that there could be no justification for imposing conditions which might involve the rights and wages of railway employés, and consequently affect detrimentally the finances of the State, should we be justified in incurring any expenditure whatever which might detrimentally affect the finances of a State?

Mr. DEAKIN.—Oh, yes.

Mr. WATSON.—There is no more specific power given in that regard than there is in this. The section in the Constitution is clear, and it seems to me that there being no prohibition of expenditure in that direction, but rather an inference that we have the right to take any step necessary in carrying out this particular sub-section, there is no reason why we may not pass a proposal declaring that, if, in the opinion of the Court, certain conditions must be

observed, they shall be complied with, notwithstanding that they may involve increased taxation.

Mr. McCAY.—Is not the difference this: That in regard to any decision affecting the servants of the States it is proposed to make the States raise whatever money may be necessary to give effect to it, while in the other case we are expending the money which we ourselves raise?

Mr. WATSON.—I do not say that. Let me refer to a matter of which the honorable and learned member is cognisant. Let us suppose that at a Birthday review, we expend a considerable sum of money in the firing of salutes which disappear in smoke.

Mr. McCAY.—They are not of much use, and I would cheerfully legislate against them.

Mr. WATSON.—I do not say that they are of use. But assuming that we succeeded in spending a considerable sum of money in that direction, would not the finances of the States be involved, seeing that under the Constitution they receive back not only three-fourths of the customs and excise revenue, but any surplus in respect of the one-fourth which the Commonwealth may retain. Any Commonwealth expenditure, even if it is only a matter of a few pounds, has thus some effect for good or evil on the finances of the various States.

Mr. McCAY.—That is what I say. In the case quoted by the honorable member we should spend money perhaps with unhappy results to the States. In the other case we should be requiring the States to expend money.

Mr. WATSON.—I do not see any distinction between the two classes of expenditure. The objection put forward to our proposal was, in the first instance, that the raising of wages or the shortening of the hours of employment of the States railway employés, with the result that a greater number of men would have to be employed, would have the effect of compelling the States to increase their expenditure.

Mr. FISHER.—That would be only by order of the Court.

Mr. WATSON.—By order of a Court that had gone into the equities of the case, and which would give an equitable decision. What I desire to point out is that the result would be exactly the same if the Commonwealth expended, say, £1,000, which would otherwise go to New South Wales as part of the surplus, and the absence of which might render it necessary for the State to resort to taxation to make good the deficiency.

Mr. JOHNSON.—The honorable member surely does not contend that the Court would compel a Parliament to provide extra taxation to meet an increased wage?

Mr. WATSON.—I do not say that. I do not think that the Court could compel the Parliament to take active steps. But what I contend that it could do—although I do not suppose that there would ever be any necessity to do it—would be to insist that the railways should not run unless certain conditions were complied with. If the powers I contend for are given to us in the Constitution, then there is a latent power to insist upon the award of the Court being complied with. Beyond that I do not pretend to go. It seems to me that the Prime Minister gave away a good deal of his case when he said that if this provision were in existence probably no set of Railway Commissioners would go to any extreme length. I understood him to make that remark in reply to an interjection.

Mr. DEAKIN.—Not precisely that. I said that they would take care not to adopt the united course of action which was mentioned.

Mr. WATSON.—I accept the correction; but, carrying that very little further, I think it is more than probable that the Commissioners would never go to any extreme length in defying the decision of the Court, arrived at after lengthened argument and a clear presentation of the case on either side. I do not anticipate any trouble in that direction. It seems to me that any action of this Parliament in regard to the expenditure of money must necessarily result in lessening the resources of the States, and therefore may involve extra taxation. If it is true that we have no right to take any step which might involve additional taxation, or some kind of complication to the State Treasuries, then it means such a crippling condition for this Parliament that the sooner it disappears the better. I do not know that it is necessary for me to say a great deal more on the question of constitutionality. I believe that on any clear rendering of the provision in the Constitution the amendment is quite within the powers granted by the people at the referendum. It may be said that the people accepted the provision without the consideration having been put to them that it might allow of State servants being included in a Conciliation and Arbitration Act. I submit that the people did not object to the provision, because it might involve that interpretation, and further, that every one who

knew the condition of affairs at that time knew that much more important questions—for instance, as to the powers of the Senate, and as to financial arrangements—practically overshadowed everything else in the Constitution. The Prime Minister knows as well as every other honorable member that it was impossible to expect an answer from the people in regard to every detail of a Constitution so comprehensive as this one is, and so I am not at all alarmed by that argument. The honorable and learned gentleman says that we who at the time of the referendum objected to the Constitution on the ground that it was fashioned too closely on the American model, should now accept the corollary of that—of agreeing to the use of American decisions in its interpretation. It does not seem to me that there is any particular force in that argument, because in the first place our Constitution departs very widely in many respects from the American model. Although it follows primarily the American model in regard to the constitution of the Senate, still in its later provisions it differs very materially. For instance, with regard to the provisions for a joint sitting of the Houses and other matters of that sort it differs essentially from the American Constitution.

Mr. GLYNN.—It absolutely follows the American Constitution as to the method of apportioning the powers.

Mr. DEAKIN.—And that is all that is in question.

Mr. WATSON.—That is no argument, so far as this particular provision is concerned, because there is no such provision in the American Constitution. Unfortunately, the people of America have had to be content with, and to suffer under, rule by injunction. For years injunctions of their Supreme Court have been used, always against the industrial classes, and never against the other side, and so it is freely stated to-day that America is governed, not by her Constitution, but by her judge-made law.

Mr. MALONEY.—And bad law, too.

Mr. WATSON.—I believe that from the industrial stand-point it is bad law. It is made by men who are largely prejudiced against that side of the question.

Mr. HUGHES.—It is not government by representation.

Mr. WATSON.—No. All that America has done in that regard is no guide to this Parliament in the interpretation of a provision that finds no place in the American

Constitution, and which affects a matter which has so far elicited no response from its legislative bodies. In view of that fact, therefore, I feel I am not bound to place any reliance on American decisions affecting a totally different question from that which we are discussing.

Mr. O'MALLEY.—But these decisions are old.

Mr. WATSON.—It was not pretended that the old decisions referred to were connected with this particular matter, except so far as they appeared to affect the question of taxation. I do not think that even the question of taxation can be held to be really germane to the interpretation of this provision. I do not wish to do more at this stage than to say a few words with regard to the expediency of this amendment. Of course, I make no appeal to honorable members who, like the honorable member for Wannon, are opposed lock, stock, and barrel to the Bill. We cannot hope to convince them of the desirability of making the Bill harmonious and complete. We must leave them to the judgment of their consciences, and the tender mercies of the electors a little while hence. But to the other members of the House—and I am glad to say that there is an overwhelming majority in favour of the principle of compulsory conciliation and arbitration—I certainly do appeal not to leave outside the provisions of a measure which they declare to be beneficent in its action a large proportion of the members of this community. If strikes are disastrous—and I think there are but few persons in the community to-day who will not admit that they are—if this measure is the best one that can be devised under present conditions to try to prevent their occurrence, I ask, why should many thousands of those engaged in industries be excluded from the operation of its provisions? Why should they not have an opportunity of securing that justice which it is impossible for them to obtain under present conditions? On the other hand, why should the community which says that a two-penny-halfpenny strike between an ordinary private employer and his employes shall be illegal—that it is against the interests of the Commonwealth to allow 100 men to go on strike—contemplate the possibility of tens of thousands of men going on strike, and take no step to prevent it?

Mr. WILLIS.—Is it not impossible for the servants of a State to go on strike in that way?

Mr. WATSON.—I did not think it necessary at this stage to answer a question of that description; but the honorable member's interjection reminds me of a contention put forward by the Prime Minister about which I think it necessary to say a word. He stated that it was beyond the bounds of possibility to contemplate another railway strike. Well, I have had a good deal of experience of industrial matters amongst the unions responsible for strikes, and, as a long-time trades unionist myself, I say that I would not be too ready to accept a single defeat as an indication that there would not be another strike. My experience has rather been the contrary; and while I regret as much as any one can do the strike on the Victorian railways—though I fully admit that the men had ample justification for making a strong protest against the manner in which they were treated—still, while I take that view, I should not like to assert that among any body of British workmen, at any rate, a single defeat would do more than accentuate their desire to get justice. And it would be a pitiful thing for the race if it were not so.

Sir JOHN FORREST.—Can they not trust their own people and their own Parliament?

Mr. WATSON. — Experience demonstrates that they could not trust them, even as far as they could see them. When they trusted them, or were prepared to do so, they were not only deprived of their rights but insulted into the bargain. I do not say for a moment that that set of conditions will be repeated in other States. I do not think that it is likely, in view of our experience, that it will be hurriedly repeated even in Victoria. But we have to contemplate the possibility at any period of the whole industrial and productive machinery of this Commonwealth being made idle by a cessation of work on the railways, and in connexion with other institutions. If this be so, is it not as well to insure against even the remote risk of such a disaster? A business man—a merchant—may put up a big warehouse which is as fire-proof as it is possible to make it. He may introduce all the latest fire-quenching appliances which he can obtain. But he does not dispense with his insurances. The risk of a fire may be remote, but he makes "assurance doubly sure" by going to a good office and taking

out a policy on his stock and buildings. So in this case I say that, so long as there is a possibility of a strike, it is our duty to guard against it; and I certainly think that those who believe in the principle that it is the duty of the State to prevent these disasters, should be willing to interfere just as quickly—in the interest not only of the men concerned, but of the whole community—whenever a trouble of that description threatens amongst State servants.

Mr. McLEAN (Gippsland).—I regard the present amendment as raising the most serious question that has yet emanated from any section of the Federal Parliament. I believe that it strikes at the very root of our Federal system; and I have no hesitation in saying that if the supporters of the amendment succeed in placing it upon the statute-book, and it is found to be operative in practice, it will do more harm in the Commonwealth than the Federal Parliament can condone for during many years to come. I speak not as an enemy to compulsory arbitration and conciliation, as honorable members know, but as one who supports the principle wherever its operation is required. It is not for me to say whether this amendment is within the letter of the Constitution or not. But I do say, most emphatically, that it is utterly opposed to the spirit of the Constitution. It is opposed to the Constitution as explained to the people of Australia by its framers. All the leading lawyers who occupied seats in the Convention, when advising the people of Australia to accept the Constitution, probably laid more stress on this aspect of it than on any other, viz., on the rights of the States as distinct from the powers that it was proposed to hand over to the Federal Parliament. It was explained to the people most emphatically on every platform, and in the press of Australia, that the Federal Parliament could not interfere in any way with the Departments that were left under the control of the States Governments. It was pointed out that the Federal Parliament had jurisdiction only in those questions that were expressly handed over to it by the Constitution. Assuming that it may be found that the framers of the Constitution were wrong—if there has crept into the Constitution power for the Federal Parliament to exercise control over the States Departments—then we should look a little further and see what is likely to follow. That is the aspect of the case about which I feel the greatest concern and anxiety. I believe, in the first place, that

the States Governments would ignore any decision of the Arbitration Court which might require them to take back their Estimates and recast them. I also believe that they would ignore any decision that required them to reduce the pay of the Public Servants. In that case, what power would the Federal Parliament have to enforce the decision of the Arbitration Court?

Mr. McDONALD.—The same power as it would have in all other cases.

Mr. McLEAN.—In any other case we know that a State Government would be obeying the decision of a tribunal of its own creation.

Mr. WILKS.—What about the High Court?

Mr. McLEAN.—The High Court is the creation of the people of Australia, accepted in the Federal Constitution. But this Bill deals with questions that the people of Australia were told by the leading members of the Convention—in fact by every member of the Convention whom I heard speak or whose speeches I read—

Mr. THOMAS.—In Gippsland the people only dealt with the stock tax.

Mr. McLEAN.—This is not a matter for indulgence in, I was going to say buffoonery; but I would not apply that term to my honorable friend. It is a serious question, and should be dealt with in a serious manner. The people of Australia accepted the Constitution on the distinct understanding that the States Governments would have full control of every department not handed over to the Commonwealth. That, I think, will not be denied by any honorable member. The honorable and learned member for Northern Melbourne was, like myself, an opponent of the Convention Bill, believing, with me, that it had many serious defects. But had the honorable and learned member then believed that the Commonwealth would have the power to virtually take control of States Departments, he could have killed the Bill. That would have undoubtedly been the result had we been able to make the people of Victoria believe that such would be the case. There was no question on which the people felt so strongly as that of State rights; but the honorable and learned member, in all the arguments he used against the Constitution Bill, never once told the people that they would be deprived of the control of departments which were not handed over to the Commonwealth.

Mr. HIGGINS.—It would have only made the Bill more popular as against my views.

Mr. McLEAN.—Had such a result been anticipated, it would have killed the Bill, because, as I say, there was no question on which the people felt so strongly, nor is there any question, I believe, on which they feel so strongly at the present time. I am convinced that if there is a conflict between the Federal Government and the States Governments on the question of States rights, the people of the Commonwealth will range themselves on the side of the States, and not on the side of the aggressor.

Mr. FISHER.—What evidence is there of that?

Mr. McLEAN.—The evidence is that the people of the Commonwealth accepted the Constitution as explained to them by the framers.

Mr. WILKS.—Did the people not accept the Constitution on trust?

Mr. McLEAN.—The people did not consider they were accepting the Constitution on trust, because they were told emphatically that the Commonwealth could not interfere with the control of the States Departments.

Mr. McDONALD.—What about the Melbourne election?

Mr. McLEAN.—What, in the name of common sense, has the Melbourne election to do with the question?

Mr. McDONALD.—In a constituency like Melbourne there was a majority of 800 against the views the honorable member is now expressing.

Mr. McLEAN.—What has the Melbourne election to do with the question of a Federal Constitution?

Mr. McDONALD.—The honorable member says that the people are against the Commonwealth exercising its power in this matter, whereas the result of the Melbourne election shows that such is not the fact.

Mr. McLEAN.—I say that the people are against interference by the Commonwealth in the control of States Departments.

Mr. MALONEY.—Try the referendum, and see who is right.

Mr. McLEAN.—The honorable member for Melbourne knows that such an interference must necessarily kill the Federal Constitution as understood by the people at the present time. It would undoubtedly lead to one Government and Parliament for

Australia. What can a State Government or State Parliament do if it has not control of a single Department? How can a State Government or Parliament carry on under such conditions? What residuum of power will be left to the States? The proposed interference strikes at the very root of Federation, so far as I understand the position. As to the question of expediency, I may say that I sat in the Victorian Parliament for nearly a quarter of a century, and during that time I think I demonstrated that I am a friend of the working classes. I do not think that I ever recorded a vote against the interests of those classes, and the best proof is that I have always received their support at elections. I am still as much in sympathy with that section of the community as I ever was. I did as much as any one in the Victorian Parliament to secure them equal power as against those who contended for what I considered undue power for the propertied classes. I opposed plural voting from the very commencement, doing my best to give one vote, and one vote only, to every man and woman in the community. But if I see that that section of the community contemplate a step which, in my opinion, will be detrimental to their own interests, and injure them, perhaps, as much as it will injure any section, I should not be worthy of the trust they have reposed in me if I did not act upon my honest convictions. I believe no section of the community will suffer more if this proposal be given effect to than will the public service of the different States. I ought to limit my remarks to the railway servants, and, perhaps, the employes of the Postal Department, who may possibly come within the definition of "industrial."

Sir GEORGE TURNER.—There are the Printing Departments.

Mr. McLEAN.—I am speaking of all who may come within the definition, but it is utterly impossible to carry on successfully a large industrial department, such as that of the railways of the States, under dual control—under control divided between the States and the Commonwealth. The public debt of Australia is largely invested in the railways, and there is no question in which the Commonwealth is more deeply interested than that of the future welfare of the railway servants. I have not the slightest doubt that it would be fatal to the successful working of the railways to place them under dual control. Moreover, the State, as an employer, is in a very dif-

ferent position from that of a private employer, private firm, or private company. Private employers are personally interested in driving the hardest bargain with their employes, and in getting all they possibly can out of them. The Governments of the various States, on the other hand, reflect the will of the people, and have always been generous employers; at any rate, they have always been fair employers.

Mr. HUTCHISON.—There has been sweating by some State Governments.

Mr. McLEAN.—It is possible there may have been errors in individual cases. Does the honorable member say that this tribunal of three men will be endowed with such omniscient powers as will enable them to do justice to every industry throughout the Commonwealth? Does the honorable member think that this Court will not be liable to error? Has the honorable member lost all confidence in the people, whom he, I believe, did his best to endow with supreme political power?

Mr. HUTCHISON.—I have confidence in all our Law Courts.

Mr. McLEAN.—I believe that the people are more generous than the Law Courts. The Courts do only bare justice, whereas the people may deal, and I contend, have dealt, generously with the public service. I have administered a good many Departments in my time, and, so far as my experience has gone, I have found States employes extremely contented. I know that when a man gets into the employment of a State it takes a great deal to induce him to leave his position. Further, I know that tens of thousands of people outside the public service are continually clamouring to get in; and that is the best proof we can have that the States have ever been generous employers.

Mr. HUTCHISON.—Employment by the State is more certain.

Mr. McLEAN.—No doubt employment by the State is more certain. But if they did not approve of their pay and conditions of labour they would surely not be so anxious to remain in their employment, and there would not be much difficulty in inducing them to leave it. My honorable friends who are supporting this amendment are the very persons who, up to this time, have been clamouring to bring under State control as many industries as possible. They will admit that I am correct when I say that to a man they are advocates of what is called State socialism. I do not use the word "socialism" in any offensive sense,

but as meaning the bringing under State control as many industries as possible. The honorable member for Wide Bay in the next breath tells me that nobody is more incapable of laying down the conditions of service than is a State Government or Parliament. How can he reconcile the two statements? How can he in one breath advocate the bringing of industries under the control of the State, and in the next contend that the State is not capable of managing them successfully? Does he wish to bring the industries of the country to ruin? I am sure the honorable member does not wish anything of the kind.

Mr. FISHER.—It is for the same reason that Parliament has appointed judicial authorities to punish crime. It has not been left to Parliament, which would be an incompetent court to do it.

Mr. McLEAN.—My honorable friend is a man of common sense and extensive experience, and does he believe for one moment that these three men, though they should be the best men whom we could select in the whole of the Commonwealth, will be capable of dealing successfully, intelligently, and justly with every industry in the States?

Mr. FISHER.—Yes; because they can take time to secure expert evidence, and Parliament has no time to do any such thing.

Mr. McLEAN.—Then my honorable friend exhibits an amount of unsophistication and innocence I should never have given him credit for. Let us take the railway services, for instance. We pay big salaries, and send over the whole world to secure men of extended experience and business knowledge to manage our railways. In New South Wales and Victoria, the Chief Commissioners are paid £3,500 a year, and here it is proposed to put over them a man who is to be paid £700 a year, and to let him take the control out of their hands. If my honorable friend thinks that the railways can be successfully worked under those conditions, I cannot agree with him.

Mr. SPENCE.—They do not interfere until the Commissioners fail.

Mr. McLEAN.—But who is to be the judge of failure?

Mr. SPENCE.—The men will make their complaints.

Mr. McLEAN.—The Commissioners are not dealing with their own money; they are men of wide experience, and they know, as does every large employer of experience, that if they are to secure the best services

which their employes can render, the men they employ must be fairly paid and well treated. Surely the Commissioners, having the public purse to draw upon, will not treat their men badly, when they know that such treatment would but result in a discontented service, and would render their management of the railways ineffective?

Mr. FISHER.—We know that private employers employ managers at £3,000 a year and upwards.

Mr. McLEAN.—I have pointed out the difference. The incentive of the private employer is to get his work done as cheaply as possible, seeing that he has to pay for it out of his own pocket.

Mr. FISHER.—He often employs a manager at £3,500 a year, which is as big a salary as is paid to a Commissioner of Railways.

Mr. McLEAN.—And he gives his manager instructions to get the work done as cheaply as possible.

Mr. FISHER.—States Governments give the same instructions to their Commissioners.

Mr. McLEAN.—My experience is that the majority of private employers deal fairly by their servants; it is only a minority who do not deal fairly by them.

Mr. FISHER.—Our Railway Commissioners are asked to do the same thing; they are asked to manage the railways as cheaply and efficiently as possible.

Mr. McLEAN.—I am sure that the honorable member, with his experience and good sense, must know perfectly well that if the railway employes can snap their fingers at the Commissioner, and those whom they are expected to obey, and can tell them that they can appeal to a Federal tribunal over their heads, a condition of things will be brought about which will utterly demoralize the service.

Mr. FISHER.—In my opinion what is here proposed will bind the railway employes more than they are bound now.

Mr. McLEAN.—Instead of leading to an extension of that State socialism of which the honorable member is such an ardent advocate, this proposal is very much more likely to lead to the sale of the railways. That would appear to be the only logical outcome of the situation which will be created.

Mr. CONROY.—Would that be such a bad thing?

Mr. McLEAN.—I should not like to see it. I should like our railways to continue for a long time under the control of the

States Governments, because I believe it is necessary, in the interests of the public, and of the proper development of the country, that they should be under State control.

Mr. FULLER.—The railway servants in New South Wales can appeal to an Arbitration Court there.

Mr. DEAKIN.—Every one approves of that.

Mr. McLEAN.—That is a very different matter. My honorable and learned friend must see that that is an appeal to a Court which is a creation of the State Parliament. What is proposed in this Bill will be a Court, the creation of the Commonwealth Parliament, and over the heads of the States Governments.

Mr. FULLER.—But a Court dealing only with disputes extending beyond the limits of any one State.

Mr. POYNTON.—The honorable member is arguing all the time that this Arbitration Court will do something wrong.

Mr. McLEAN.—I am assuming that this Court will be composed of only three men, and that two of them will necessarily be men of ordinary capacity, and of no very great business experience, if they will accept a salary of £700 a year, because no man of extensive business knowledge need accept such a salary. I do not consider that the robes of office will give to these men any knowledge which they previously did not possess. I assume they will do their work honestly according to their lights, but I do not for a moment place them on a par with Railway Commissioners paid £3,500 a year, men who have had extensive experience in other parts of the world. If ever there were a time when people might crave to be saved from their friends, I think it is on the present occasion. I feel sure there never was a time when the best interests of the public servants were more endangered than they will be from the movements of those who with every desire to do the best they can are proceeding upon erroneous lines. So far as the interests of the Commonwealth are concerned, do honorable members think that those interests can be properly conserved if all the services of the various States are to be conducted under a dual control? It is opposed to reason and experience.

Mr. POYNTON.—Would not that argument apply to dual control in private enterprise?

Mr. McLEAN.—To what dual control does the honorable member refer?

Mr. POYNTON.—To the control of the Federal Parliament over private industry, and the control of the proprietor of the industry.

Mr. McLEAN.—I assume that the object of the Arbitration Court is merely to step in in the case of exceptional employers who will not do justice to their employes. I claim that I brought more trades under the operation of the Victorian Factories Act than did all the other Victorian Ministers combined, but I did not bring a single trade under the operation of that Act until I satisfied myself that there were a few in the trade—and the number was very few in every instance—who would not do justice to their employes. The great majority of the employers were entirely with me in the action I took, and signed petitions to be brought under the Act in order that they might be saved from the competition of men who would not act fairly by their employes.

Mr. WATSON.—It will be only in isolated instances that the Arbitration Court will be brought into operation.

Mr. McLEAN.—In private employment we find that the great majority of employers act fairly by their employes; but there are some who will not act fairly by them, and a tribunal of this kind is very useful to prevent strikes, and to prevent the waste, expense, and heart-burnings involved in the settlement of an industrial dispute by brute force. In such cases I have no doubt that intervention under a Conciliation and Arbitration Act may do a great deal of good; but it is only in cases in which such intervention is absolutely necessary that the provisions of such an Act should be applied. I have heard my honorable friend contend that if this is a good thing it should be extended to every case, to the public servants as well as to private employes; but I do not regard this in the way in which we regard our daily food. I regard it in the light of a necessary evil. If we could do without it so much the better.

Mr. WATSON.—So is all law a necessary evil.

Mr. McLEAN.—That is so, and it is for that reason I am not an advocate for the extension of legal tribunals further than is necessary to deal with the absolute necessities of the community. I do not think we should go any further with our law courts, and certainly not with our Courts of Conciliation and Arbitration. We have never had a complaint to justify legislation of this kind. I have not met one public servant—and I have spoken to a good many since this

question was brought forward—who has not told me that he and his fellow-employés were utterly opposed to the proposal. I cannot say that that indicates the real feeling of public servants; I can only speak from my own experience.

Mr. CROUCH.—I have a letter conveying a resolution, arrived at by hundreds of public servants, in favour of the present proposal.

Mr. McLEAN.—That is not a very large number. There are 12,000 railway employés in Victoria, besides many hundreds of other public servants, and the honorable and learned member's statement, instead of strengthening his case, seems to me to weaken it. My main objection to the amendment is that it strikes at the root of the Federal principle. It would be utterly impossible to carry on Federation successfully if the amendment proved to be operative. I do not for a moment believe that it will, because I am confident the High Court will pronounce it to be *ultra vires*. If, however, the contrary should prove to be the case, a deathblow will be dealt at the Federation. That would lead to the abolition of the Federation, or to unification, and I am not an advocate of either.

Mr. GROOM (Darling Downs).—I have taken a deep interest in this question, because I feel that I shall be called upon to part company with some of those for whose opinions I have the greatest admiration and respect. I shall have to part company with the Prime Minister, than whom, I consider no man in this Parliament more truly represents national ideas and aspirations, not only in politics, but generally in regard to the Constitution. The matter to me, however, is one of conscience. I feel that it is necessary that I should satisfy myself as to our powers and duties as a Federation, and that having done this, I should have no hesitation in following the course which I deem to be right. We have to justify to ourselves the position which we take up in regard to the question now before us, and I think that I can do this to the fullest extent. In the first place, I shall vote against the amendment in the form in which it has been presented by the honorable member for Wide Bay. It purports to embrace the whole of the public servants of the States and of the Commonwealth. I fail to see how it is possible for us, under the terms of the Constitution, to pass a Bill of this kind which would embrace the public servants connected with, say, the

Audit Department of the State of Queensland, or the Treasury Department of New South Wales. I attach great importance to the definition of the word "industrial." We are bound by the wording of the Constitution, according to which we can legislate only with regard to "industrial" disputes; and I cannot see how Departments such as those I have mentioned could be deemed to be "industrial."

Mr. CROUCH.—Would the Patent Office be an industrial Department?

Mr. GROOM.—I would not express an opinion upon that matter. The Patent Department is not under the control of the States. Upon the question which the Prime Minister treats as vital, namely, whether we should bring any State servants within the scope of the Bill, I part company with him, and intend to support an extension of the provisions of the measure to the States railway servants. I shall do this upon two grounds. First, because I believe that it may be held to be constitutional; and, secondly, because I regard it as highly expedient. The Prime Minister, in dealing with the question of constitutionality, has laid too much emphasis upon sub-section xxxv. of section 51. He says that there is no reference whatever to the States in the sub-section, and that therefore the States are not included within the scope of the powers to be exercised by the Federal authority in regard to conciliation and arbitration. He lays it down as a general rule for the interpretation of the Constitution that wherever a grant of power to the Federal Parliament contains no mention of the States they are not included within the scope of the powers conferred. With all deference to the Minister, I take a different view. I think that he overlooks the fact that the really vital sub-section bearing upon the matter with which we are now dealing is sub-section 1, relating to our power to make laws with respect to "trade and commerce with other countries, and amongst the States." This is amplified by section 98, which provides that—

The power of the Parliament to make laws with respect to trade and commerce extends to navigation and shipping, and to railways the property of any State.

The Prime Minister was eloquent when he pointed with great admiration to the American Constitution, and told us that our Federal Conventions had been largely influenced by American precedents. He informed us that these were followed in delegating to the Federal Parliament

certain powers, and that we had in substance adopted the rules of interpretation which have for the past century been laid down by the United States Courts. I think he is right. I believe that where you purport to re-enact a statute which has been in force in another State, and adopt almost the identical words of the original, you incorporate in it all the rules of the interpretation given by the Courts in administering that statute. That is the rule adopted by the States of the Empire when dealing with sections taken from the Imperial statutes. What has been the position of the United States as regards this one particular section to which I wish to direct attention for a while? The Prime Minister has told us how a provision, placed in a Constitution with the intention of meeting certain ends, may, after the lapse of years, when new conditions have arisen, be dealt with in the light of the developments which have occurred, with the result that new meanings are imported into it, and wider applications given to it than were anticipated by the original framers. He could not have given a better illustration than the trade and commerce provision in the Constitution of the United States. During the first sixty years of the history of the Union that provision did not come under notice more than twenty times. But since then there have been at least 200 decisions in regard to it by the Supreme Court of the United States. One text-writer has said—

This is a remarkable instance of a national power, which was comparatively unimportant for eighty years, and which, in the last thirty years, has been so developed that it is now in its nationalizing tendency perhaps the most important and conspicuous power possessed by the Federal Government.

How has that come to be applied? It is under that section of the American Constitution the words of which read as follow :—

The Congress shall have power to regulate commerce with foreign nations and among the several States and with the Indian tribes.

Underlying those simple words is a principle which has received the widest application. Included in it is the control of the railways.

Mr. LONSDALE.—Has there been any attempt to interfere with wages?

Mr. GROOM.—Yes; as I shall presently show.

Mr. ISAACS.—But the United States railways are not State-owned railways.

Mr. GROOM.—I shall answer that objection presently. The Congress, in 1888,

relying upon the section I have quoted, passed an Act—

To create Boards of Arbitration or Commission for settling controversies and differences between railroad corporations and other common carriers engaged in Inter-State and territorial transportation of property or passengers and their employees.

This was the intention of that Act, as formulated in one section—

That whenever differences or controversies arise between railroad or other transportation companies engaged in the transportation of property or passengers between two or more States of the United States, between a Territory and a State, within the territories of the United States, or within the district of Columbia, and the employees of the said railroad companies, which differences or controversies may hinder, impede, obstruct, interrupt, or affect such transportation of property or passengers—

certain action shall follow. Therefore, our power to regulate trade and commerce, which the Convention adopted from the Constitution of the United States, is a power to deal with railways generally. Let me first establish that proposition. Two sections of our Constitution deal with the regulation of railways; we have been dealing with one of them only. I wish to direct particular attention to this vital provision, because the control of the commerce of Australia is a national power which we must preserve to the Commonwealth. Anything which hinders or impedes the free carriage of passengers or of produce from one part of the Commonwealth to another is to be prevented, and this power to regulate trade and commerce is one which we as a national Parliament must regard as of national importance. The United States Congress in 1898 repealed the statute to which I have just referred, and passed another, an Act "concerning carriers engaged in Inter-State commerce and their employees," section 2 of which provides that—

Whenever a controversy concerning wages, hours of labour, or conditions of employment shall arise between a carrier, subject to this Act, and the employees of such carrier—

the chairman of the Inter-State Commerce Commission and the Commissioner of Labour may mediate, and if they cannot effect conciliation or amelioration there is power to appoint arbitrators. The important point is that when the arbitrators have given a decision the award is absolutely binding upon the parties. The award has to be filed in the Clerk's office of the Circuit Courts, and, once filed, it becomes the judgment of the Federal Court, and, as such, can be enforced against the parties.

Mr. DEAKIN.—Does the Act relate to a railway which is wholly in one State?

Mr. GROOM.—It relates to companies engaged in continuous transit, but it deals with the general question, the power to regulate Inter-State commerce. So far as the United States are concerned, it has been held that there is clearly invested in Congress power to legislate with respect to railway disputes extending beyond the area of one State. What is the provision in our Constitution? Apparently the members of the Convention wished to give to the Commonwealth all the powers which the section of the American Constitution to which I have referred gives to the Congress of the United States. They wished to give to this Parliament all the powers conveyed by the words they used. In the United States, Congress relies upon those words for its power to pass anti-trust laws, and I am sure that that is a power which this Parliament wishes to have. Our authority for it is the provision in the Constitution which confers upon us the power to regulate trade and commerce. The Prime Minister, in reply to the honorable and learned member for Corio, stated that this particular provision would not bind the States unless express mention was made of that intention. But in section 98 of the Constitution the railways of the States are expressly included.

Mr. DEAKIN.—Hear, hear. That is my point.

Mr. GROOM.—That section provides that—

The power of the Parliament to make laws in respect to trade and commerce extends to navigation and shipping, and to railways the property of any State.

Mr. DEAKIN.—Only as regards Inter-State trade.

Mr. GROOM.—The words used are —
To railways the property of any State.

Mr. GLYNN.—The provision affects only Inter-State rates.

Mr. GROOM.—If in the United States there were a dispute affecting the railways in two of the States, Congress would have power to deal with it.

Mr. GLYNN.—How far can the award go? That is the point which touches the very substance of the Bill.

Mr. GROOM.—The power of award goes with the power to interfere.

Mr. GLYNN.—There is no power to touch internal rates, so why should there be power to touch internal wages?

Mr. GROOM.—My point is that those words include the railways of the States. The power to deal with trade and commerce includes the railways of the States, and we know that the provision in the Constitution of the United States has given Congress power to pass an Act of Conciliation and Arbitration applying to the railways. In my opinion the proper course to adopt in construing section 51 is to add to the power under sub-section 1. the power which is contained in paragraph xxxv. of section 51 of our Constitution we shall see that it confers upon Congress power to deal only with trade and commerce. There, the Parliament can adopt measures to prevent any obstacle being placed in the way of the free transit of goods, but our Constitution goes much further, and gives us power to legislate for all sorts of industrial disputes that may occur throughout the Commonwealth. It really amplifies instead of cutting down the power which is contained in sub-section 1. I submit, therefore, that, following the American Constitution, which is our great exemplar, we clearly possess the power to deal with the States railways.

Mr. DEAKIN.—Only as to Inter-State trade.

Mr. GROOM.—That is my first proposition. Under our power to deal with trade and commerce, we have power to regulate the railways of the States. Consequently, if a railway dispute arises which extends beyond the limits of any one State the Commonwealth has power to deal with it. Let me examine the position which is taken up by the Prime Minister generally. His objection to this proposal practically rests upon four grounds. In the first place, he holds that the proposed amendment is contrary—he did not say to the “spirit” of the Constitution, as the honorable member for Gippsland suggests—but to the general principle underlying the Federation. In other words, it is contrary to the distribution provided for in the Constitution, of the powers vested in the central and the States Governments. His second proposition, is that the States public servants are excluded from the operation of this Bill, because they are not specifically mentioned. His third objection is that there may be some sort of prerogative attaching to the servants of the Crown. This prerogative is an undefined one, which the Prime Minister will not touch. His fourth proposition is that the proposal is tantamount to

the power of imposing taxation upon the States, and that, therefore, it is outside the limits of the Constitution. As to his first proposition, that the proposal is contrary to the spirit of the Constitution—

Mr. DEAKIN.—Of course, I mean the power to tax the States means and instrumentalities.

Mr. GROOM.—Exactly. But is the proposal contrary to the spirit of the Constitution? That Constitution provides for a distribution of power as between the central and provincial Governments. As has been laid down by many eminent authorities, each of these Governments within its own particular domain possesses sovereign powers. But what was the idea underlying the establishment of a Federation? It was that a large number of matters of Australian concern, many of which were previously dealt with by the States, should in future be dealt with by the Federal Parliament only.

Mr. MCCOLL.—Those matters were expressly defined.

Mr. GROOM.—They were expressed by implication in some cases.

Mr. JOSEPH COOK.—They were defined as the result of compromises in nearly every case.

Mr. GROOM.—They were defined expressly or by implication. In the case of *ex parte Siebold*, which was decided in 1879, the Court laid it down that—

As a general rule, it is no doubt expedient and wise that the operations of the State and National Governments should, as far as practicable, be conducted separately, in order to avoid undue jealousies and jars and conflicts of jurisdiction and power. But there is no reason for laying this down as a rule of universal application. It should never be made to override the plain and manifest dictates of the Constitution itself. We cannot yield to such a transcendental view of State sovereignty. The Constitution and laws of the United States are the supreme laws of the land, and to these every citizen of every State owes obedience, whether in his individual or official capacity.

I admit that that is the correct interpretation. The Prime Minister, however, by implication, imbues the advocates of so-called State rights with the belief that there is some transcendental power in those rights which overrides the provisions of the Constitution. After all, what is the meaning of this doctrine of State rights, about which the honorable member for Gippsland is so anxious? In the United States, a State right is generally accepted to be a right which belonged to a State at the time of the establishment of the Federation, and which

it still retains. But many persons seem to think that a State right is a right which a State can claim to prevent the Commonwealth Parliament from exercising the powers which it undoubtedly possesses under the Constitution. They apparently imagine that they have merely to raise the cry of "State rights," and we must immediately stay our hands. Although the States have certain definite powers of sovereignty, the underlying principle of the Constitution is that, upon matters of general national concern, their interests are subordinate to those of the nation. What is the position for which we are fighting? It is quite possible that the whole trade and commerce of the Commonwealth may be dislocated by reason of a strike. That is a matter not merely of provincial, but of national interest. When the Victorian railway employes went out upon strike last year, although the dispute was one with which the State had power to deal, it seriously affected Australia as a whole. It interfered with the proper carriage of the mails of the Commonwealth. Where a dispute extends into two States of the union—a dispute with which neither of the States concerned can deal with from its very nature, if it is to be dealt with satisfactorily, it must be dealt with by a national tribunal.

Mr. DEAKIN.—Each State may deal with it within its own borders.

Mr. GROOM.—But a dispute may arise as to how far each State should go. A democratic Government may be in power in one State and an aristocratic Administration in the other, or the two States may jointly refuse to come to any agreement with the other side, declaring that they will fight the trouble to the end. In the case of a great national emergency it may be utterly impossible to carry on the trade and commerce of Australia as a whole. Consequently we may require to have recourse—as was done in the United States in the case of *in re Debs*—to the Executive power.

Mr. DEAKIN.—We possess that power.

Mr. GROOM.—It is a power which is based upon the right of the national Government to keep open the highways of the country as a whole. It is quite possible that in the event of a dispute arising, such as the Victorian railway strike, which affected the trade and commerce of Australia, and the carriage of its mails, we might be able to step in, as the United States did, and say—"We are going to exercise the inherent rights of the nation as a whole."

Mr. FISHER.—How can we do that without an Arbitration Bill?

Mr. GROOM.—It can be done. Let me quote a decision on the point. *In re Debs* the learned Judge said—

If the emergency arises, the army of the nation and all its militia are at the service of the nation to compel obedience to its laws.

Prentice and Egan, in *The Commerce Clause of the Federal Constitution*, state that—

Most cases in which this power has been considered have involved the constitutionality of State statutes. The Federal power is not limited, however, to a control of the State, but extends to the removal of any obstruction in the way of the freedom of Inter-State commerce and the execution of Federal laws.

In the judgment the learned Judge himself referred to the fact that the Federation had the power to control the States, and to prevent them from obstructing commerce. And if they have that right over the States *a fortiori*, they have the same right over a voluntary association, such as a body of men on strike, and interfering with trade and commerce as a whole. The point which I wish to emphasize is that, in certain conditions which might arise in the Commonwealth, the States, in the interest of the nation as a whole, would have to be subordinated, and the Commonwealth would have to exercise its powers on behalf of the nation. The principle, therefore, is that there are two sovereignties, but that in many ways there is Federal restraint over State action. There is, for instance, a restraint placed upon State action, both from a legislative and executive point of view in regard to coinage, interference with trade and commerce, and other different matters. There is this restraint, not only upon the State in its legislative powers, but upon the corporate powers of a State in the exercise of its own particular laws. The Prime Minister's proposition, therefore, is not one which is applicable to the present position. What is his second point? It relates purely to the rules for the construction of a statute. The Prime Minister says that because the word "State" is not used in the sub-section in question, the State is not bound.

Mr. DEAKIN.—I contend that it would have been provided for in express words if it had been intended.

Mr. GROOM.—The rule of interpretation, which, I submit, is the correct one, has been clearly defined by the learned annotators Quick and Garran. In dealing with the meaning of the words "other than

State banking," which occur in sub-section XIII. of section 51, they lay down the rule of interpretation, and quote as an authority the case of *Rhode Island v. Massachusetts*. The principle laid down is that according to the rule of interpretation in the United States, wherever there is a general grant of power without any exemptions in the Constitution of the United States, it is deemed to have conferred upon Congress the right to exercise to the full extent the powers conferred upon it.

Where no exception is made in terms, none will be made by mere implication or construction.

The annotators mention that the words "other than State banking" were inserted in sub-section XIII., so as to exclude the general rule of interpretation; that had it not been for the insertion of those words the general rule would have operated. That, I submit, is the correct rule of interpretation, and if we apply the Prime Minister's argument to other sub-sections, it will be found that it is not a good one. Let us refer to sub-section XXXII. of section 51, which provides that the Parliament of the Commonwealth shall have power to make laws for—

the control of railways with respect to transport for the naval and military purposes of the Commonwealth.

In that sub-section the States are not mentioned.

Mr. DEAKIN.—There are no other railways.

Mr. GROOM.—There are private railways in Queensland, and they may be built in the other States of the Union. The question at issue is not whether there are such railways, but the correctness of the rule of construction put forward by the honorable and learned gentleman.

Mr. DEAKIN.—The sub-section does not provide for the taking over of the control of the railways.

Mr. GROOM.—According to the honorable gentleman's rule of construction, the States are not bound by this sub-section, inasmuch as there is no mention of a State in it. That is the honorable and learned gentleman's argument.

Mr. DEAKIN.—On the whole.

Mr. GROOM.—If the rule of construction does not apply in one instance its value as a general rule disappears. Notwithstanding that the States are not mentioned in the sub-section to which I have just referred, we find that in section 65, and other sections of the Defence Act, the Federal Parliament has dealt very fully with the

control of States railways for the purpose of carrying the troops of the Commonwealth. What, then, is the value of a rule as one of general construction if as soon as one applies it to a certain provision in the Constitution he finds that it breaks down?

Mr. DEAKIN.—There are practically no railways in the Commonwealth save those owned by the States.

Mr. GROOM.—The question at issue is the rule of construction. It is open to Victoria to dispose of all her railways to private individuals or corporations. In that event the power of the Constitution would still apply. Does the honorable and learned gentleman contend that this power relating to Defence deals only with States railways?

Mr. DEAKIN.—No.

Mr. GROOM.—Then it has a general application, and the Prime Minister's rule does not apply.

Mr. GLYNN.—Does the honorable and learned member think that sub-section xxxii. of section 51 of the Constitution was really necessary?

Mr. GROOM.—I am pointing out that in interpreting powers which are provided for in the Constitution where a general rule has been put forward, and that rule breaks down on being applied to one of the powers under section 51, the conclusion must be that it is not a valid rule.

Mr. DEAKIN.—I did not admit that. I pointed out that there were several cases in which apparently the rule would not apply; but that it was of value when taken as a general rule with the restrictions and explanations which I mentioned.

Mr. GROOM.—The honorable and learned gentleman contends that the rule laid down by him is a good one when it suits his own particular argument; but it is not a rule which would guide a Court. The general rule laid down by *Quick and Garrahan* is that wherever there is a general power conferred on the Commonwealth that power is intended to be exercised to the fullest extent, unless there is any exception made. A further argument was put forward by the Prime Minister with regard to the prerogative of the Crown. As he himself admits he attaches no value to the particular instance referred to by him.

Mr. DEAKIN.—I hold that it has a value if we take the doctrine as it stands, but I do not think it can be applied here.

Mr. GROOM.—I have endeavoured to find out what are the doctrines as to the prerogative of the Crown. There is

no prerogative with respect to the servants of the Crown generally. It extends to particular cases, giving the servants freedom from arrest and certain immunities; but there is no general prerogative of the Crown which applies to the whole of the servants throughout the States. I have made a search in several text-books, but I have not found any such prerogative.

Mr. DEAKIN.—We cannot bind the Crown—

Mr. GROOM.—The Crown cannot be bound unless it consents. If it is a prerogative of the Crown, then, according to Canadian decisions, the Crown can give it up; but it can do so only by assenting to a Bill in which the Crown is mentioned. We can make this provision in the Bill, and if the Crown opposes it because of the prerogative, it can refuse its assent to the Bill on that ground.

Mr. GLYNN.—The honorable and learned member does not say that the giving of the Royal assent to the Bill gives up the prerogative of the Crown?

Mr. GROOM.—Where the statute expressly binds the Crown.

Mr. GLYNN.—That is a different thing.

Mr. GROOM.—That is what is proposed here, and therefore I think it is right that the provision should be inserted as a safeguard.

Mr. ISAACS.—That does not meet the difficulty, because we have to go beyond that and see if the Crown is bound by the Constitution.

Mr. GROOM.—In Canada it has been held that the Crown can surrender its prerogative.

Mr. ISAACS.—That is another thing.

Mr. GROOM.—The two Constitutions are analogous.

Sir JOHN FORREST.—It was struck out of ours.

Mr. GROOM.—We put in the words, "This Act shall bind the Crown," and they were struck out. If under our legislative authority we can deal with certain matters affecting the royal prerogative, the Crown can assent to the Bill. If it is desired to deprive the Crown of any prerogative the only way by which it can be done is by passing a distinct Bill.

Mr. WATSON.—To which it can assent.

Mr. GROOM.—The Bill will not be of any force until it is assented to by the Crown.

Mr. DEAKIN.—Has it been done in the Constitution by express words?

Mr. GROOM.—Under the Constitution, we have the power to deal with certain

subjects which are defined. In the Constitution of Canada similar provisions are contained, and it has been held there that, if the Parliament passes a Bill dealing with a royal prerogative, the Crown can assent to that Bill and lose its prerogative by that means. That is laid down in *Lefroy*.

Mr. GLYNN.—If it is within the Federal power.

Mr. GROOM.—That is the very point. Suppose that there is a prerogative attaching to the servants of the Crown, our contention is that the legislative power does include servants. Can it be contended that we have no power to bind any of the public servants of the Commonwealth, because the Crown is not mentioned in the Constitution?

Mr. ISAACS.—The honorable and learned member does not argue that we can create the power by putting in these words?

Mr. GROOM.—Certainly not.

Mr. ISAACS.—No one disputes the other portion.

Mr. GROOM.—I am glad to hear that the honorable and learned member agrees that there is no dispute about the other portion, but the Prime Minister has suggested that other people do not agree.

Mr. ISAACS.—I did not understand that.

Mr. DEAKIN.—Only as to that point.

Mr. GROOM.—Yes. The question of the power of taxation is, I presume, purely a question of analogy. The power to tax certainly contains the power to destroy. Where a large number of public servants are seriously affected by a taxation measure, the power to tax may practically destroy the Federal or State agency. By that means the instrumentality or agency could be destroyed. But this power is not to my mind at all equivalent to taxation. The result might be that the States would have to impose taxation. But we have power to regulate trade and commerce generally, and to deal with navigation generally. Surely these are matters in which the States are concerned.

Mr. DEAKIN.—Expressly.

Mr. GROOM.—The States are not expressly mentioned as regards navigation. We may impose heavy navigation charges. Suppose that Queensland started to run a shipping company, and extended its operations to the other States of the Union, because it had to pay increased charges, would that render the measure imposing them unconstitutional? Because the State is

not mentioned in that section of the Constitution, would all its ships be exempted? Could Queensland send out ships in an unseaworthy condition? Could it set aside all regulations as regards payment of wages in various ports?

Mr. DEAKIN.—I do not know that it could not.

Mr. GROOM.—That is an extraordinary limitation of our powers under the Constitution. I submit that it could not. The States generally are bound by the provisions. Yet we, by our legislation dealing with trade and commerce, may lay certain charges on the States.

Mr. DEAKIN.—Which we are expressly authorized to do within certain well-defined limits.

Mr. GROOM.—Quite so. The test of the principle, which the honorable and learned gentleman lays down, is that, if a statute causes a State to raise more revenue the statute is unconstitutional, because it contains an exercise of the power to tax.

Mr. DEAKIN.—No; I did not go so far.

Mr. GROOM.—I am glad to see that we are gradually narrowing down the issue to a smaller and smaller scope. It seems to me that the exemption of the States cannot be based on these propositions at all. The last proposition—which has not been mentioned by the Prime Minister, but which has been raised by several honorable members—is what is the value of the power? It is said that the amendment is unconstitutional, because we could not enforce the award of the Court. How can we enforce our remedies against the States? In the Constitution we have power to deal with actions against the States. Under section 78 we may make laws—

conferring rights to proceed against the Commonwealth or a State in respect of matters within the limits of the judicial power.

In the Judiciary Act we have given to the High Court the express power of issuing injunctions against a State. It provides that the Treasurer of a State shall pay out of the consolidated revenue, on the production of a certificate, the amount of the judgment of the High Court.

Mr. GLYNN.—Do we not stop short of that?

Mr. GROOM.—No; section 66 says—

On receipt of the certificate of a judgment against the Commonwealth or a State, the Treasurer of the Commonwealth or of the State, as the case may be, shall satisfy the judgment out of moneys legally available.

Mr. GLYNN.—How can the Court compel him to pay?

Mr. McCAY.—Suppose that he does not?

Mr. GROOM.—If every State in the Union but one is prepared to obey the Constitution, and that State is only going to obey so much of the Constitution as may suit itself, it will bring about a social revolution, and we shall have to call out the powers which we, as a nation, possess to deal with the matter.

Mr. McCAY.—That is evading the issue.

Mr. GROOM.—It is not. If the Treasurer of a State refused to do his duty, to satisfy the judgment of the Court, he would practically be guilty of treason to the Commonwealth.

Mr. McCAY.—But if a private individual refused to pay?

Mr. GROOM.—He could be forced to pay. We have the power to issue an injunction against a State.

Mr. HUTCHISON.—Otherwise a State could say that it did not belong to the Federation.

Mr. GROOM.—Practically it would be the secession movement in a new form. I do not believe that any responsible Minister in a State would refuse to be bound by the decision of a properly constituted tribunal. I believe that every Minister would submit loyally and faithfully to the Court's decision. Every State has proved itself to be a law-abiding community, and I have every confidence that that spirit will continue.

Mr. ISAACS.—The Privy Council recently discounted any such argument. They said that if a judgment were given against a State they would assume that Parliament would provide the money.

Mr. GROOM.—Exactly. There is now only the question of expediency to deal with. I feel that it is a right and proper thing that the Commonwealth should at all times preserve its control over the trade and commerce of the community. Strikes are things which at times happen most unexpectedly. Perhaps the stupidity of a State Minister, or the obstinacy of a trade union executive, may be the means of causing the whole commerce of a community to be thrown into confusion. It would be a lamentable thing if we had repeated in the Commonwealth that which occurred recently in Victoria.

Sir JOHN FORREST.—This would not stop it.

Mr. GROOM.—If it extended beyond a State it would. If the whole of the farmers and other residents in the interior are to be placed at the mercy of a strike executive,

or of a Minister, who may cause trouble at a moment's notice, they will be in a precarious situation. They are justified in saying—"If you are going to introduce a measure which purports to deal with the peace, welfare, and good government of the community as a whole, we demand that you should preserve to us the highways." For after all, what are the highways of the Commonwealth? It is along these that the life-blood of the nation flows. A citizen's right to go over the whole of the Commonwealth depends upon his ability to travel on the highways. It is absolutely of vital importance to every citizen of the Commonwealth that he shall have the right of travelling freely along these highways of commerce, and be able to send the product of his industry along them. The railways are the only means by which the people in the interior can get their produce to the various centres; and I say that as a matter of vital importance to them, and as a matter of expediency, the railway servants should be included in the provisions of this Bill, so as to prevent obstructions to commerce.

Sir JOHN QUICK (Bendigo).—I am sorry that I have the misfortune to differ from my honorable and learned friend, the member for Darling Downs, in the main drift of his argument on this important question. It will be very unpleasant for us to have to part company in the coming critical division. But, at the same time, I am bound to say for my part, as he has said for his, that I shall have to vote against this amendment, not only on conscientious grounds, but also legal and constitutional grounds. I certainly agree with my honorable and learned friend that we ought to take the responsibility of our views, however disagreeable may be the consequences. The honorable and learned member, in the course of his speech, has broken fresh ground which is certainly entitled to consideration. There is an aspect of novelty in his suggestion that the Federal Parliament has, under the trade and commerce sections, jurisdiction to deal with industrial disputes upon Inter-State railways. I never suspected that such a power was to be found in the sections of the Constitution relating to trade and commerce, and I venture to say that on a careful analysis, examination, and scrutiny, it will be found that no such power does exist. If anything, I believe that the trade and commerce power of the Federal Parliament, under sub-

section 1 of section 51, has been cut down in our Constitution to much smaller dimensions than exist in the trade and commerce section of the United States Constitution. Because, in our Constitution, there are a large number of special sections which have been inserted especially to deal with special matters; and every special section which has been put in, to the extent *pro rata* that that section goes, tends to cut down the trade and commerce power. For instance, we have certain sections dealing with the railways. No railway can be constructed in a State without the consent of the State. Under the unlimited and unqualified trade and commerce power of the United States Constitution, it has been held that the Federal Parliament there can construct Inter-State railways, or authorize their construction, without the consent of the States affected. So that these special sections tend rather to cut down the delimitation of the trade and commerce power. In the same way also, the section which my honorable and learned friend has referred to, whilst it apparently extends the trade and commerce power to railways, is practically a limitation, when compared with this special sub-section xxxv. of section 51, relating to conciliation and arbitration. Therefore, the inference is, that the trade and commerce power vested in the Federal Parliament by the Constitution relates purely to the interchange of Inter-State goods, and also to trade and commerce beyond the Commonwealth. Therefore, also, it cannot possibly be construed to mean and to include the power to deal with industrial matters which are covered by another section. I apprehend, consequently, that section 98 should be construed to mean that power is given to the Federal Parliament to promote Inter-State commerce, and to abolish obstructions, or to minimize possible restrictions; but, certainly, it cannot be extended to the wide sense of interference with State institutions, such as State railways. That section was inserted on the motion of the leader of the Convention, upon a doubt which was previously expressed, and which was entertained by the drafting committee, that the trade and commerce power contemplated by sub-section 1, was not wide enough to extend to State railways. It was put in solely and exclusively for the purpose of enabling the Federal Parliament to facilitate Inter-State trade and commerce, and to remove obstructions, or rather to strengthen the power to prohibit discriminations and preferences, which tended to in-

terfere with the free flow of trade and commerce between the States. It is a startling proposition to hear it suggested that the trade and commerce power is to be utilized to deal with industrial disputes for which other provision is made in special sections of the Act. I think it will be found on consideration that we shall have to rely solely and exclusively on the special sub-section for dealing with industrial disputes. And if the power contended for is not to be found there, I venture to predict that it will not be found in any other part of the Constitution. I should like to say this: that I view this Bill from a sympathetic attitude. I do not view it from the point of view of any desire to defeat it, or any desire to prevent the free operation of the power granted by the Constitution. I was a party to the granting of the power in the Constitution, and I should be very sorry indeed to cast any reflection upon the grant, or to impede its free, fair, and fullest operation. Therefore, I approach this question not so much from the standpoint of expediency, or the desirability of bringing it into operation, but from the standpoint of whether we have the power under this sub-section to extend the jurisdiction of the Conciliation and Arbitration Court to disputes in which public servants are involved. For my part, I strongly believe—and I do not entertain any reasonable doubt upon the point—that this sub-section does not extend, and was never intended to extend, to public servants and others employed in States Departments, railways or otherwise. I believe that it was intended to operate solely and exclusively upon private individuals and private corporations, and that it was not intended by the Convention to extend to State institutions or State agencies or instrumentalities. I believe that if any such idea had been suggested in the Convention it would have been scouted. The sub-section was passed by a Convention where the States rights party was strongly represented. It was supported by a large number of the representatives of smaller States solely on the ground that it would be advisable to put in the four corners of the Constitution some provision to prevent any such industrial disputes, or such calamitous troubles, as had previously taken place, and were then within the mind and contemplation of the Convention—such as the maritime strike, or the shearers' strike, and other disputes between

employers and employed, which it was desirable to prevent and suppress if possible. But it was never suspected, and certainly not intended, that this power should extend to State agencies. Such a suggestion would have been contrary to the resolution upon which the Constitution was founded. The resolution upon which the Constitution was founded expressed the view that—

the powers, privileges, and territories of the several existing Colonies shall remain intact, except, in so far as they were expressly surrendered to the central Government, in matters which demanded or justified uniformity of law and administration, and in matters of common interest. It was never intended to be an invasion of the States Government Departments. It is quite true that the Constitution has taken from the States Parliaments a large number of their powers, and a number of their legislative functions, so far as powers and functions relating to private individuals are concerned. But, with reference to industrial matters, it was never intended, and it could not be contended in a court of law with any hope of success, that sub-section xxxv. was intended to withdraw from the States Governments and States Parliaments the control of their own governing agencies. I should like to present the case from two points of view, or to summarize the arguments under two headings. First, I submit that sub-section xxxv., which reads—

Conciliation and arbitration for the prevention and settlement of industrial disputes extending beyond the limits of any one State—

does not, on its face, or by any reasonable intendment, cannot be said to extend to the King's Government in the States. That leads me to the argument which I was very sorry to hear the Attorney-General somewhat minimize—the argument that this section does not bind the Crown. There is a great deal of force in the contention that this section does not bind the Crown as a constituent part of the States Governments. I cannot be denied that the Queen, at the time the Constitution was passed—and the King now—forms an important feature, as well as an active part and principle in States Governments, both in matters of administration and matters of legislation. The King is the head of the Executive, and one of the partners in the legislative organization. When we use the word “prerogative,” it should not be in the limited technical sense which is sometimes implied, namely, as some ancient right of the Crown relating to its own dignity. The

argument could, and ought to be applied in the wider sense, that where we find the Crown or King in possession of either common law powers, or statutory powers granted by Imperial Act, those powers are generally granted to be exercised by the Crown, or its representative, as the trustee for the people—not for any particular advantage, honour, or glory of the Crown, but in the interests of the people as part of the general organization of the States or the Federal Government. I submit that the ancient maxim that the Crown cannot be bound in an Act of Parliament, except expressly named or by reasonable intendment, applies with great force to sub-section xxxv. Before Federation the Colonies were governed by various Constitutions granted under Imperial Acts, and in each of the States there was the Government of the Crown. The Queen was head; the Crown was not merely the ornamental head, but the trustee, so to speak, for the newly-formed communities, and certain powers were vested in the Crown. What has been the effect of the Federal Constitution Act? The effect of this Act has not been in any way to deprive the States of their governing machinery or to destroy the States as branches of the King's Government. The States remain as branches of the King's Government on a par, and *pari passu*, with the branch of the King's Government as represented by the Commonwealth. The States Governments and the Commonwealth Government form parts of a dual system, under which the whole of the people of Australia are now governed. There is no badge of inferiority to be attached to the King's Government in a State, as compared with the King's Government in the Commonwealth. It is not necessary, in order to sustain an argument of this kind, to go to America or any other part of the world, because we find that very recently the Full Court of New South Wales has had occasion to consider this branch of the subject. The case was that of *The Attorney-General of New South Wales versus The Collector of Customs*, and is reported in the 9th *Argus Law Reports*, Current Notes, page 22. It was affirmed in the case that no distinction can be drawn between the rights and prerogatives of the Crown in respect of its Imperial rights, and the rights and prerogatives of the Crown with respect to, and in operation in, the Colonies. The point involved in the case is very interesting and important,

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and, apart from its specific effects, it may be utilized to illustrate certain points which have been raised in connexion with this discussion. This was an action by the Attorney-General of New South Wales to recover from the Federal Government certain Customs duties, amounting to £600 or £700, which had been paid in respect of importations of railway material, the property of the State of New South Wales. The Government of New South Wales sued to recover this money on the ground that it had been improperly levied. The plaintiff's case rested on two grounds; first, on the ground of the prerogative, that this material being Crown property, was therefore exempt from taxation; and, secondly, on the ground that it was specially exempt by section 114 of the Constitution. While the Acting Chief Justice held that this material, as railway material, was liable to taxation and was not exempt by section 114, he went on to take the ground that inasmuch as the Crown was not mentioned in the Customs Tariff Act as intended to be bound and made liable for taxation of its property, therefore this property was exempt—it was exempt because the Crown was not named in the Federal Customs Act.

Mr. GROOM.—That is a statute which was passed by the Commonwealth Parliament.

Sir JOHN QUICK.—The majority of the Court, however, went further, and dealt with the case on a much wider basis. Mr. Justice Owen and Mr. Justice Pring both decided that in their opinion these were State imports, and, being the property of the Crown, were exempt from taxation, firstly by section 114 of the Constitution, and secondly on the common law ground that there was nothing in the Constitution to show that it was intended by the Imperial Parliament, when it passed the Constitution, to abate or surrender the prerogative rights of the Crown.

Mr. CROUCH.—The Prime Minister is going to appeal against that judgment.

Sir JOHN QUICK.—The observations made by Mr. Justice Owen and Mr. Justice Pring are very interesting, and I think they will help us. Mr. Justice Owen said:—

The case for the plaintiff was presented from two points of view—first, the Crown's prerogative; second, the construction of sec. 114 of the Constitution Act. . . . The King is the head of the Commonwealth and of each State, and the revenues of the Commonwealth and of each State are raised by Parliament as a grant to the King at the King's request, and are ap-

propriated by Parliament to the several services of the King in the Commonwealth and in the States respectively. . . . The prerogative of the King, when it has not been expressly limited by local law or statute, is as extensive in His Majesty's colonial possessions as in Great Britain.

Mr. Justice Pring in his judgment draws a very interesting comparison, remarkably accurate and vivid, between the position of the Colonies as self-governing communities before the passing of the Federal Constitution, and the position of those Colonies when they became States under the Constitution. I hope honorable members will bear with me while I read Mr. Justice Pring's remarks—

I think it may be useful to consider the position of the Australian Colonies before the advent of Federation. Before that event, each one of the Colonies was autonomous. Each had its Constitution granted by the Sovereign of England, and was entitled under that Constitution to regulate its own domestic concerns, and to pass its own laws, subject only to the veto of the Imperial Government. Each was a dependency of the British Crown. And the Government in each case was the Government of the British Sovereign. . . . Such being the state of things until the passing of the Commonwealth Constitution Act, I proceed next to inquire how far that Act affected the status of the Colonies, or States, as they became after Federation. Now, I find nothing in the Act which reduces the Government of the States from their former position as branches of the Queen's Government.

That is a most significant pronouncement of opinion by one of the Judges of the Full Court in New South Wales—that there is nothing in the Act which in any way impairs, prejudices, or diminishes the position of the Governments of the States as branches of the King's Government. It must be plain that, if this amendment is carried, the position of the States Governments as branches of the King's Government will be seriously impaired; because, if the argument be correct, their financial and administrative control of their public departments will be seriously invaded, if not entirely taken away. Quoting Lord Watson, in a Privy Council case, the learned Judge said—

The object of the Act was neither to weld the provinces into one, nor to subordinate provincial Governments to a central authority.

He said, further, that—

The Commonwealth Act did not destroy the autonomy of the Colonies, nor did it affect the Queen's Government as carried on in those Colonies. It merely provided a new branch of the Queen's Government for the purpose of administering certain matters of common interest to all the Colonies.

There is an interpretation of our Constitution by a Judge of the Supreme Court of

New South Wales, on another branch of the Constitution, it is true, but laying down the general principle that the King's Government in the States was not intended to be prejudiced or in any way impaired by any of the grants of power within the four corners of the Constitution. Accordingly he held that, even though the contention of the Federal Government were correct, viz., that goods imported by a State were not "property" exempted from Federal taxation by section 114 of the Constitution; yet according to the argument based on prerogative alone, apart from section 114 of the Constitution, State goods were exempt from Federal interference, and from Federal taxation. I contend that, if that be so, much more, therefore, are the States Departments of States Governments free from Federal interference and Federal regulation. The same principle will apply to them with irresistible force. It has been contended by the leader of the Labour Party, in several of his arguments, and with an ability and ingenuity one cannot help admiring, that, in one or two sections of the Constitution, such as "banking, other than State banking," "insurance, other than State insurance," the States are specially excepted, and the honorable member wishes us to believe that; wherever there is no express exception of the State, the State is bound. Probably, without an acquaintance with the principles of statutory interpretation, according to British methods, one would think there was some force in that contention. My honorable and learned friend, the member for Darling Downs, has this evening given great prominence to that argument, and has sanctioned it. But surely the honorable and learned member must see that he has ignored the decisions of the English Courts, and also the decision of the Full Court of New South Wales in the import duty case, where it was held that, even although State imports, goods, wares, and merchandise imported by the State were not property within the exemption of the Constitution, they would otherwise be exempt, unless specially named as liable to taxation.

Mr. GROOM.—Does the honorable and learned member agree with that decision?

Sir JOHN QUICK.—The honorable and learned member must see that in the New South Wales case, counsel quoted, and their Honours in their judgment quoted, the well-known case of *Weymouth v. Nugent*, 34 L.J.M.C. 81, which, by the way, is quoted also in the *Annotated Constitution*

of the Australian Commonwealth, from which the honorable and learned member did Mr. Garran and myself the honour to quote. This is mentioned for the purpose of showing that in all the statutory enactments the Crown is never bound in respect of its property, power, or prerogative, unless specially mentioned. One or two exceptions or exemptions in an Act of Parliament ought not to lead to the inference that things which are not exempted or excepted are withdrawn from the domain of the rights of the Crown. The rule is that the exemption or exception of the Crown in one section of an Act, or in one part of a section, does not imply that the Crown is bound by other sections of the Act, or by other parts of the section, where it is not named. In one case—the *Weymouth* case I mentioned—an Imperial Act imposed wharfage dues on certain articles, including stones. It did not bind the Crown to pay such dues, but it exempted it from liability in respect of coals imported for the use of the Royal packets. There is a special exemption. In the same way as under our Constitution, State banking and State insurance is excepted, coals were excepted. The harbor authorities desired to levy dues upon other articles imported by the Crown, and they said—"Seeing that you are only exempted from paying dues upon coals, you are therefore liable to pay dues on everything else you import." The Court refused to infer from the specific exemption an intention to charge the Crown in respect of any other goods. That decision was adopted without question by the Full Court of New South Wales, in the case of *The Attorney-General of that State v. The Collector of Customs*, and it affords an obvious reply to the contentions regarding special exemptions of the Crown, because it shows that any special exemption, or several exemptions, are not sufficient to support the argument that in other matters the Crown is bound. Therefore, I contend that the fact that the Crown is not mentioned in sub-section xxxv. leads us to the obvious inference that the Crown Departments in the States are not intended to be bound. I submit that that was the intention of the framers of the Constitution, and that that was the plan on which the Constitution was built, namely, that the King's Government, in the various States at the time of the passing of the Federal Constitution, was not to be prejudiced or hampered or in any way interfered with except to the extent that is expressly indicated on the face

of the Constitution. If that were not a sound principle of interpretation, this section was a veritable trap, which led thousands of persons to vote for the Constitution, under the belief that it was not intended to prejudice the rights of the States. How would the Constitution have fared in Tasmania, Western Australia, or South Australia?

AN HONORABLE MEMBER.—Or even in New South Wales.

Sir JOHN QUICK.—New South Wales, as a predominant partner, might have been only too glad to grant increased power to the Federation.

AN HONORABLE MEMBER.—The Constitution would not have been approved in New South Wales if larger powers had been sought.

Sir JOHN QUICK.—The Constitution would not have been accepted in the States I have named, if it had been thought that a Parliament, sitting in Melbourne, would be clothed with authority to constitute a tribunal, which would have the power to dictate the terms on which the railways of Western Australia, Tasmania, or South Australia were to be managed. South Australia was strongly in favour of preserving State rights, and was one of the strongest advocates of equal representation of the States in the Senate. In fact, all the smaller States were very careful to see that nothing affecting the autonomy of the States was inserted in the Constitution.

Mr. ROBINSON.—The honorable member for Boothby stated on the public platform that the Constitution invaded States rights too much.

Sir JOHN QUICK.—What would he have said if it had been understood that a Parliament, consisting for the larger part of representatives from New South Wales and Victoria, was to have a voice in the management of the railways of the other States? I hope that it will not be suggested that in the attitude which I am assuming upon this constitutional question I am wanting in sympathy for the public servants in respect of their reasonable aspirations. I have never voted for any legislation tending to harass public servants. I have always considered that they should be treated liberally, and paid well for their work, and my present attitude is not due to the belief that they are without grievances, because I believe that they have serious causes of complaint. In this case, however, we have to adminis-

ter the Constitution and to harmonize conflicting rights; to reconcile the claims put forward by the Federal Parliament on the one hand, and the rights contended for by the States Governments on the other. It is not merely a question of justice, but one of legality. As has been stated, the Federal system is essentially based on legalism. We should be guided by the legal distribution of power, and should not attempt to exercise authority simply because we desire to redress a grievance. That is not the proper test. The question is whether we have the power. We should not brandish a weapon before the eyes of the States Governments, or take up a menacing attitude towards them in matters which come within their jurisdiction, with the idea of doing something which we think ought to be done. That is the first ground on which I venture to argue that the amendment should not be adopted. It would entail an invasion of the prerogative rights of the Crown which is not mentioned in the sub-section relating to the powers to be exercised by the Federal Government in regard to conciliation and arbitration. The next argument which I desire to advance is one based upon the Federal rule of construction. It is a familiar rule of construction of the Constitution of a Federation that the sovereign powers vested in the States Governments by the respective Constitutions remain unaltered and unimpaired, except so far as they are granted to the Federal Government. A clause to that effect was not originally inserted in the United States Constitution, but by the tenth amendment provision was made in order to remove all doubt. The Government of the Union, therefore, can claim no powers which are not granted to it by the Constitution, and the powers actually granted must be such as are expressly given, or are given by necessary implication. I would remind honorable members of the provision in the tenth amendment of the Constitution of the United States, to the effect that the powers not granted to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States or to the people. A similar provision is to be found in the Constitution of Switzerland, where the Cantons are sovereign, so far as their sovereignty is not limited by the Federal Constitution, and where, as such, they exercise all the rights which are not delegated to the Federal Government. The Commonwealth Constitution contains a somewhat similar provision. Section 107 provides that

every power of a State Parliament shall, unless it is by the Constitution exclusively vested in the Parliament of the Commonwealth, or withdrawn from the Parliament of the State, continue as at the establishment of the Commonwealth. I shall later on direct attention to States Constitutions, and show that their control over their Departments remains unaltered and unimpaired. I wish to refer to an appropriate illustration of the Federal rule of construction given by the Prime Minister. He quoted from the decision in the case of *Collector v. Day*, 11 Wall, 113, as follows:—

In respect to the reserved powers, the State is as sovereign and independent as the general Government. The means and instrumentalities employed by the general Government to carry into operation the powers granted to it are, necessarily, and for the sake of self-preservation, exempt from taxation by the States. So also are those of the States, depending upon their reserved powers, for like reasons, equally exempt from Federal taxation.

I do not wish to quote any more American precedents, because they have been adequately and exhaustively dealt with by the Prime Minister, but I should like to direct attention to a Canadian case which came before the Privy Council, namely, that of the *Maritime Bank of Canada v. Receiver-General of New Brunswick*. In that case Lord Watson said—

The object of the Federation Act was neither to weld the provinces into one, nor subordinate provincial Governments to a central authority, but to create a Federal Government in which they shall be represented, intrusted with the exclusive administration of affairs in which they had a common interest, each province retaining its independence and autonomy.

Mr. Justice Owen, referring to this decision in connexion with the case in the Full Court of New South Wales, to which I have referred, uttered the following pregnant sentence:—

This independence and autonomy of the States applies with greater force to the Constitution of the Commonwealth, for by it the States retain all the powers not taken from them and conferred on the Commonwealth, whereas in Canada the Dominion Parliament has a general power of legislation, and the Provinces receive only such powers as are reserved to them by the Constitution Act.

That is a most important interpretation of our Constitution, by a calm and impartial judicial authority, which ought, I think, to have great weight with this Parliament. As I read the Constitution, the governing organizations and Departments of the States are not affected by it unless they are expressly named. Certain Departments of

the old Colonies, now States—such as the Departments of Customs and Excise, of Defence, and of Post and Telegraphs—have been taken away from State jurisdiction, and are now vested exclusively in the Federal Government. The other Departments remain intact, unaltered, and unimpaired. True, some of the powers of the States are gone, but the power of organizing and working these Departments remains intact. So far as I can gather from a searching investigation of the Constitution, the Railway Department is the only State-governing agency or authority which has been expressly interfered with by the Constitution. A State may still construct, use, and control its railways, subject to certain constitutional limitations which appear on the face of the governing instrument. The first of these limitations is that under paragraph xxxii. of section 51 the railways are subject to Federal control, “with respect to transport for the naval and military purposes of the Commonwealth.” It may be asked why were those words placed in the Constitution since the control of the Department of Defence is vested exclusively in the Federal Government. They were placed there only for an “abundance of caution,” which is the term used by Judges in interpreting special words placed in an Act of Parliament, excepting the Crown, or rendering the Crown or its Departments liable to certain interference. Those words were evidently placed in the Constitution for explanatory purposes, to make it absolutely clear that for the purposes of defence the Federal Government would have limited control of the railways. That limitation appears on the face of the Constitution, and was part of the Federal bargain. When the States entered into the Federal partnership they knew that they were surrendering the control of their railways, so far as purposes of defence were concerned. Then the control of the railways by the States is subject to the rule that the States may be forbidden to make preferences or discriminations which in the judgment of the Inter-State Commission are undue and unfavorable. That is an express limitation, and was part of the Federal bargain. The third qualification of State control of the railways is that it is subject to Parliament making laws relating to railways, so far as they affect Inter-State commerce. That, again, is an express limitation which appears on the face of the instrument. If it be asked why was the provision placed in the Constitution, my

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reply is that it was placed there merely to remove all doubts upon the subject. May I invite the attention of honorable members to the report of the debates which took place in the Convention during the Melbourne session, when clause 98 of the draft Constitution was introduced? Sir Edmund Barton is reported on page 2390, vol. 2, of the official record to have said—

This clause is simply for the purpose of removing a doubt as to whether the powers of the Parliament extend to State-owned railways.

And, again, in the same speech he said—

The object of my present proposal is to remove a doubt as to whether the Commonwealth would have power to regulate trade and commerce on State-owned railways.

The Convention inserted that provision to remove all doubt, and I ask why, if it were intended to give Parliament power to deal with industrial disputes affecting State railways, it was not expressly so stated in paragraph xxxv. of clause 51 of the Constitution? It has not been so stated, and the absence of words setting out specifically that the intention was to embrace State railways or State Departments of any kind, negatives all reasonable presumption that power over State Departments is implied. I should like to refer to, and to confirm, the argument used by the honorable and learned member for Angas in his very interesting and able speech, wherein he submitted that the laws of the Federal Parliament were intended to operate on individuals and not on the States. In support of that contention I quote the words of the Supreme Court of the United States in *Hylton versus the United States*, 3 *Dallas*, 171. That case was decided in 1796, and the following words occurred in the judgment:—

The present Constitution was particularly intended to affect individuals and not States, except in particular cases specified, and this is the leading distinction between the Articles of Confederation and the present Constitution.

In support of my contention I should like also to refer to the debates in the American Federal Convention which drafted the United States Constitution, and in which reference is made to the same question. They are reported in Bancroft's *History of the Constitution of the United States*, vol. 2, page 19. There it is stated—

Lastly, the Virginia plan authorized the exercise of the force of the whole nation against a delinquent State. Madison accepting the argument of Mason, expressed a doubt of the practicability, the justice, and the equity, of applying force to a collective people. "To use force against a State," he said, "is more like a declara-

tion of war than an infliction of punishment, and would be considered by the party attacked a dissolution of all previous contracts." I, therefore, hope that a national system, with full power to deal directly with individuals, will be framed, and the resource thus be rendered unnecessary.

In another passage, which is reported on page 15, Mason argued that—

In the nature of things punishment cannot be executed on the States collectively. Therefore, such a Federal Government is necessary as can operate directly on individuals.

I contend, therefore, that all the laws of this Parliament can only operate directly on individuals. It is true that the States are bound by the Constitution, and only by the Constitution.

Mr. JOSEPH COOK.—But suppose that the States Governments refused to carry the Commonwealth mails?

Sir JOHN QUICK.—In that case, special power is given to this Parliament to pass Federal laws dealing with the question. That power appears expressly on the face of the instrument. I refer to the power to deal with railway rates for the purpose of regulating Inter-State trade and commerce, of which postal communication forms a part. The Constitution confers on the Commonwealth express power, by the exercise of which, in the direction of special legislation, it can deal with all obstacles to Inter-State trade and intercourse.

Mr. JOSEPH COOK.—Then we have power to coerce the States to the extent of carrying out the Constitution?

Sir JOHN QUICK.—Wherever power is conferred on the Commonwealth, this Parliament can exercise it.

Mr. FISHER.—That is the whole point.

Sir JOHN QUICK.—My contention is that the power to make this Bill applicable to the public servants of the States is not conferred by the Constitution, because in it the States are not named in this connexion. In other parts of the Constitution, where it is intended to bind the States by prohibition or injunction, that intention appears in express terms. For instance, it is specifically enacted that they shall not interfere with freedom of trade. The High Court could enforce these mandates by injunction against any State officer or against any private individual acting under the orders of a State. Let us suppose that a State Government authorized an individual to perform an unlawful act. He would be liable to be coerced by the judgment of the High Court; but that tribunal could not

act against a State Government, except by declaring the nullification of its laws as contrary to the Constitution. I know of only one provision in the Commonwealth Constitution which contains anything in the nature of a command to the States to do a certain thing. It is to be found in section 120. There it is stated that the States shall make provision for the imprisonment and detention in its prisons of persons convicted of offences against the laws of the Commonwealth, and the Parliament may make laws to give effect to that provision. Therefore, where it is intended that the States shall perform a positive act, it is clear upon the face of the instrument; and if the Constitution makes default it allows Parliament to step in and work out the problem presented as best it can. I do not know how the Commonwealth Parliament could make the Government of a State responsible for the imprisonment and detention of transgressors against Federal law. Nevertheless, it is an express mandate to the States, though there does not appear to be any particular means of enforcing it. Much more then is the argument applicable to this case, in which the States are not named. Yet we are asked to pass a law to bind the States. I wish now to invite the attention of the Committee to another question, namely, the extent to which the States Governments and Parliaments under their respective Constitutions retain control over their State-governing agencies. It is said that the bare general words of this clause practically withdraw from the States their control over their own Departments. Let us examine the Constitutions of the different States. Here I would like to say that, although these Constitutions do not appear as annexes to the Commonwealth Constitution, they are in essence chapters of that instrument of government. They must be read as part of the Federal Constitution. What is the power of the Parliament and Government of New South Wales over its Departments? By the Constitution Act of that State—and I take it as a typical one, because it was the earliest charter of government granted to these States, and all the subsequent Constitutions are founded upon the same model—

Her Majesty shall have power, by and with the advice and consent of the said Council and Assembly, to make laws for the peace, welfare, and good government of the said Colony in all cases whatsoever.

I admit that there has since been withdrawn from the Parliament of New South

Sir John Quick.

Wales and other State Parliaments a certain amount of authority which they were previously capable of exercising in reference to industrial disputes. The present Federal power over disputes which extend beyond the limits of any one State is a new and compound power. It is made up of a power which was previously enjoyed by the States and of a supplementary power. From this drag-net grant of powers in the States Constitutions which I have just quoted, some of the power which the States Parliaments previously possessed over industrial disputes has been withdrawn. But the authority so withdrawn relates exclusively to the power to deal with industrial disputes in which individuals or subjects of the King are concerned, and not the King himself or the King's departments—not the State itself, or the State Departments. I also wish to direct attention to several other very important provisions in the Constitution which are relative and material to this discussion. Section 47 of the Constitution of New South Wales declares that—

All taxes, imposts, rates, and duties, and all territorial, casual, and other revenues of the Crown (including royalties), from whatever source arising within this Colony, and over which the present or future Legislature has or may have power of appropriation, shall form one consolidated revenue fund, to be appropriated for the Public Service of this Colony, in the manner and subject to the charges hereinafter mentioned.

From a perusal of that section it will be seen that all revenues of the Crown from all sources arising are intended to form one Consolidated Revenue Fund, which can be dealt with only in a specific manner. That manner is set out in section 53, which provides that—

After and subject to the payments to be made under the provisions hereinbefore contained, all the consolidated revenue fund hereinbefore mentioned shall be subject to be appropriated to such specific purposes as by any Act of the Legislature of the Colony shall be prescribed in that behalf.

In the first place the money goes into the consolidated revenue fund, and then it can be appropriated or taken out of that fund only by an Act of the Legislature.

Mr. HIGGINS.—That is all over-ridden by the accompanying provision of the Constitution.

Sir JOHN QUICK.—Most decidedly it is not. The next provision in regard to the withdrawal of revenue from the consolidated revenue fund is that a vote cannot

even be originated by the Legislative Assembly to provide money out of the consolidated revenue fund, unless it is recommended by a message from the Governor. It is provided by section 54 that—

It shall not be lawful for the Legislative Assembly to originate or pass any Vote Resolution or Bill for the appropriation of any part of the said Consolidated Revenue Fund . . . to any purpose which shall not have been first recommended by a Message of the Governor to the said Legislative Assembly.

It is a Crown right, a Crown prerogative.

Mr. FISHER.—But it is nevertheless the Government for the time being.

Sir JOHN QUICK.—Not at all. The honorable member may say that it is a right nominally vested in the Crown; but under the New South Wales Constitution it is one that cannot be taken away except by an amendment of that Constitution.

Mr. FISHER.—I should like to see the Governor attempt to use it.

Sir JOHN QUICK.—Do not let us discuss that point. I am arguing this question as a purely legal one, and I contend that the provision to which I have just referred is not a mere nullity. It is found in a practical Constitution, which has worked usefully. Under the old Victorian Constitution, an Appropriation Bill could be passed, but could not be amended by the Legislative Council of the State. In the new Constitution the Legislative Council is given a power of suggestion, such as the Federal Constitution gives to the Senate; but once an Appropriation Bill has been passed by the Legislative Assembly it cannot be amended by any other power. It must be passed or rejected by the Council. Now let us observe what would be the result of the amendment now before the Committee. Honorable members desire to create a tribunal which would have power to give a decision that might have the effect of increasing the expenditure of a State, and rendering an amendment of its Estimates necessary. It is contended that the power to increase an Estimate should not be vested in a Legislative Council, and I ask honorable members whether they would vest it in an Arbitration Court. Such a power would be a complete invasion of the State Constitution.

Mr. McDONALD.—It is possible in New South Wales. Estimates are increased there as the result of the decisions of the Arbitration Court.

Sir JOHN QUICK.—But in that case the right has been surrendered to the Court by the State Parliament. I should have

no objection, if it were absolutely necessary, to allow the public servants of the Commonwealth to have their grievances dealt with by a Federal tribunal, because in that case we should be dealing with our own Court. If our own Court recommended the granting of concessions to public servants of the Commonwealth we should be sure to honour its decision even if compliance with it would mean an increase of expenditure. But how could we expect the Parliament of New South Wales, for example, to recognise the awards of a Court which it had not created, and the legality of whose constitution it might challenge? I contend that sub-section xxxv. of section 51 of the Federal Constitution refers to private individuals and corporations, and not to Government Departments.

Mr. HIGGINS.—The States have surrendered this right.

Sir JOHN QUICK.—It is easy to say that the States have surrendered the right to the Commonwealth to deal with their public servants in this way; but the whole point turns on whether they have or not. I contend that there has been no such surrender. The King, as a constituent part of the States Governments, has not agreed to it, and no such surrender affects States organization unless it appears within the four corners of the Commonwealth Constitution.

Mr. HIGGINS.—We say that it does.

Sir JOHN QUICK.—It is easy to make that assertion. The Constitution of New South Wales must be read together with the Constitution of Victoria, which contains similar provisions.

Sir JOHN FORREST.—The same provision is to be found in the Constitution Acts of all the States.

Sir JOHN QUICK.—The same power is, I know, given in the Constitution of Queensland. There is an express power of appropriation of all the consolidated revenue for the purposes of the public services of each State, and that power has not been taken away. How can it be said that so great a power as that has been interfered with by implication in a vague little sub-section of section 51, relating to industrial disputes? If the Imperial Parliament intended, in passing the Federal Constitution, to take away the power of the States over States Departments it would have expressly said so, just as it has done in regard to the Customs and Excise Department. We know that it has taken away the State power over Customs

and Excise, and vested it exclusively in the Federal Parliament. There can be no doubt about that surrender. It is made in express terms, and was part of the Federal bargain. But we cannot imply the surrender of any Department by the States to the Commonwealth. The surrender must be found in the Constitution itself. Federal power over a State Government organization presided over by the Crown cannot be implied; in order to bind the States the surrender must be found in the Constitution itself. That is my argument, and I think that it is absolutely unanswerable.

Sir JOHN FORREST.—Hear, hear.

Sir JOHN QUICK.—I am not one of those who entertain doubts in regard to this question. I go straight to the point, and I feel absolutely convinced that my view is the correct one. If I were not, I should tell the House so, and be quite willing to give free operation to the power proposed to be vested in the Court. If I felt that we had the right to give effect to the amendment, I should not be afraid to join in bringing it into force; but I am so convinced that we have not the power that, whatever may be the political consequences to me, I am resolved, as far as I can, to resist the amendment, and to endeavour to induce as many as I can to view the matter from my stand-point. There is no distinction practically or in law between a Railway Department and any other Department of a State Government. It is true that there may be a distinction in name.

Mr. HUGHES.—There might be one in fact.

Sir JOHN QUICK.—There can be no distinction, unless it exists at law, and I contend that there is no distinction either in fact or at law. The section of the Constitution of New South Wales, to which I have referred, provides that all the revenues of the Crown shall go into the consolidated fund, and shall only be taken out by an Act of the State Parliament. We find that, although the management of the railways of the States of Victoria and New South Wales have been transferred to Commissioners, they have been so transferred merely in trust for the States Governments—in trust for the Crown. The Commissioners have certain powers of organization and management vested in them as the representatives of the people. All their powers are conferred upon them on behalf of the Crown. In section 70 of the Victorian Railways Act it is provided that the Commissioner shall pay such salaries and

wages as shall be appropriated by Parliament. There is no surrender in that section of the parliamentary control over the revenue of the Department. Then in section 59 it is provided that the Commissioners shall prepare estimates of receipts and expenditure in such form as the Governor in Council may direct for each period of twelve months ending 30th June in each year. Then the Treasury regulations under the Audit Act provide that the full amount of all collections of revenue of all the Departments of the Government, including the Railway Department, shall be handed to the Treasurer, accompanied by a statement of the collections, and no money is to be held in suspense by the Commissioners, or any other State authority. The Audit Act provides that no sum of money appropriated shall be used for any service other than that for which it has been appropriated in the same year. All money, before being paid out of the Treasury, has to be certified by the Commissioner of Audit as "legally available" for the purpose to which it was devoted by Parliament. In face of these constitutional provisions, in face of the Audit Acts of the States, in face of the absence of any express grant of power over States Departments, to the effect contended for, I submit that it would be futile to press these arguments too far, and if any attempt be made to enforce them it will amount practically to an invasion of the constitutional rights of the States. I do not suppose that any honorable members desire to bring about a conflict of that kind; but it undoubtedly will mean that. In the Victorian Act there is also power given to the Railways Commissioners to pass regulations for determining the relative rank, position, or grade, the duties and conduct of the employés in each branch, and such regulations, when confirmed by the Governor in Council, have the full force of law. So that there is a delegation of the power of appointment contemplated by the Constitution from the Executive Government to the Railway Commissioners; but it will be observed that the Executive Council still retains its grip over the annual expenditure. Any scheme of annual expenditure has to be submitted to the Executive, and any regulations made by the Railways Commissioners have to be approved by the Governor in Council. I hold in my hand the regulations of the Victorian Commissioners, which were confirmed by the Governor in Council on the 16th Novem-

ber, 1896, and in which there is what purports to be a scheme for the classification of all railway servants. The first regulation is—

The amounts set forth in the schedules hereto shall, on the future appointment, promotion, or classification of any person, be the rates of salary or wages payable to persons holding any of the positions therein specified.

The second regulation says—

Nothing in these regulations shall apply or be construed so as to diminish or prejudicially affect the pay which any employé is receiving at the time of these regulations.

The regulations contain a scheme for the classification of officers in the traffic branch from lad porters, messengers, carriage cleaners, and labourers down to watchmen, messengers, and gatekeepers, and the whole of the pay for these various classes of men of different ages and engaged in different occupations and different grades of work, is specified. That has been approved by the Governor in Council. I ask honorable members to consider what is proposed in this amendment. It purports to confer on the Federal tribunal authority to deal with, first, the right of appointment. Honorable members may ask why I make the statement. Because the Bill enables the Federal tribunal to provide that none but union men shall be employed, or that preference may be given to union men. It may pass an award saying that the Railways Commissioners are to employ none but union men.

Mr. FISHER.—Hear, hear.

Sir JOHN QUICK.—I should not object if they had the power; who could object? Under the Constitution the power of appointment to the railways is vested in the State Government, and that power has been delegated by the State Parliament to Railways Commissioners, subject to the approval of the Governor in Council. Do honorable members contemplate what is really possible, or what would be attempted to be done in order to give effect to this Arbitration scheme? Suppose that a dispute did occur, that the Railways Commissioners were summoned before the arbitration tribunal—it may be that they would appear under protest—and that they were asked to enforce an award. They would say—"However much we might like to enforce this award, we cannot increase our votes, because our Estimates are passed from year to year by the State Parliament, and here are our regulations passed by the Governor in Council." It is true that the State Parliament could override the regulations, could increase

the gradation and classification, could increase the remuneration attached to each grade; but how can honorable members ask the Railways Commissioners of New South Wales or Victoria to carry out an award for which no provision has been made by the State Parliament? They would say—"Go to the State Treasurer." Suppose that they went to the State Treasurer, he might say—"I have no objection, but the State Parliament will not recommend it." What would become of the award? I submit that the test of a power is the capacity to enforce it, and if there is attached to sub-section xxxv. no provision for enforcing an award against a State Government then such a grant of this power is not intended. There is very strong power to enforce an award against private individuals—workmen and masters—by attachment, imprisonment, fine, and so forth, because without that power the provision would be a nullity and sham. But where is the power of enforcing an award against a State Government? From the absence of that power I draw the conclusion that the provision was never intended to apply to State governing institutions and State governing instrumentalities, but to only private individuals and private institutions, and those not subject to the States Constitutions. I am convinced beyond all reasonable doubt that this contention alone affords a fatal and an overwhelming objection to the constitutionality, as well as the practicability, of the amendment.

Mr. HUGHES.—Would not that apply to a State Arbitration Act?

Sir JOHN QUICK.—Certainly not, because the State Parliament created that tribunal. In the New Zealand Act the power of the State tribunal is limited within certain conditions by the Appropriation Act for the year; it can only alter by increasing or decreasing within the limits of the classification defined in that Act; it cannot increase the grant.

Mr. FISHER.—That is a detail.

Sir JOHN QUICK.—It is not a detail; it goes to the very root of the whole scheme.

Mr. HUGHES.—That is not so in New South Wales.

Sir JOHN QUICK.—I understand that the Parliament of New South Wales has created a tribunal something like our Public Service Commissioner.

Mr. HUGHES.—It is also subject to any award made by the State Arbitration Court.

Sir JOHN QUICK.—Suppose that it is, then, as the Acting Premier of New South

Wales said, only recently in an interview, if Parliament did not grant the money, the award could not be carried out. But the Parliament of that State is not likely to dishonour a recommendation of a tribunal which is its own creation.

Mr. HUGHES.—It could do so.

Sir JOHN QUICK.—If it could, what control is there? The award would go for nothing, it might be disapproved of by the Parliament. It is not likely that a State Parliament or a State Government would recognise an award made by a tribunal in whose composition it had no voice or control—a tribunal which it might consider outside the Constitution.

Mr. HUGHES.—There is a party seeking election now for the express purpose of doing that.

Sir JOHN QUICK.—Let them seek election. If it is desired to engraft this power on the Federal Constitution, the only way in which it can be properly done is by amending the Constitution.

Mr. HIGGINS.—That is a big question.

Mr. FISHER.—We do not think it necessary.

Sir JOHN QUICK.—I have great respect for those honorable members who disagree with me, and I am merely trying to explain the difficulties which trouble my mind.

Mr. WILKS.—Is there not the same difficulty in connexion with the Judiciary Act?

Sir JOHN QUICK.—No.

Mr. WILKS.—How can we enforce a judgment against a State? Only on a certificate to the Treasurer of the State.

Sir JOHN QUICK.—Because in the Federal Constitution the State has surrendered to this Parliament the right to provide for an action against the State within the Judicial power. We could not give a right of action against a State at large, unless it was within the limits of the grant of power contemplated by the Constitution. I admit that if any case arose under a Federal law, justified by the Constitution, then it could be enforced, but the whole thing turns on the question whether the establishment of a Federal Arbitration tribunal is justified by the Constitution. Even in our Judiciary Act there is only provision for bringing an action against a State in respect of contracts and torts, so that that would not help us in the slightest degree. The reply to that argument is that in those cases the States have submitted to the jurisdiction of this Parliament in matters arising under the Constitution. My contention is that such a case as this would not arise

under the Constitution. My right honorable friend, the Minister for Home Affairs, has drawn my attention to section 68 of the Western Australian Industrial Conciliation Act, which provides that—

all expenses incurred and moneys payable by the Commissioner of Railways in any proceedings under this Act shall be payable out of moneys to be appropriated.

The money is not actually appropriated by the Act itself. So that this Western Australian Act creating a State Arbitration tribunal does not provide for a special appropriation, but leaves it to Parliament to vote the money to meet any awards. Now I wish to conclude. I believe that the expectations and the hopes which are being held out and indulged in as to what is to flow to the public servants from the adoption of this amendment, are doomed to disappointment. But in addition to that I am afraid that if the amendment be carried it will lead to the beginning of an agitation or a movement which may, in the end, result in the break-up of this Constitution as a Federal Constitution, and in a reform that will conduce to unification and the government of Australia by one central authority.

HONORABLE MEMBERS.—Hear, hear.

Sir JOHN QUICK.—Well, let it be so. Sir, the framers of this Constitution, while endeavouring to create a national government for the determination of all national questions, were most anxious to preserve State autonomy and home rule in matters of local concern. On this point of the tendency to centralization, which the amendment marks, I should like to draw attention to the following passage by John Fiske in his very interesting work on *The Critical Period of American History*. On page 238 he writes—

If the day should ever arrive (which God forbid!) when the people of the different parts of our country shall allow their local affairs to be administered by prefects sent from Washington, and when the self-government of the States shall have been so far lost as that of the departments of France, or even so far as that of the counties of England—on that day the progressive political career of the American people will have come to an end, and the hopes that have been built upon it for the future happiness and prosperity of mankind will be wrecked for ever.

Apply that prophesy to this situation. We can only look forward with apprehension to any policy which is calculated to impair the usefulness of the States Governments, to destroy the free operation of local self-governing institutions, and to transfer the local autonomous power to the central

Government, situated either at Melbourne, Tumut, or Bombala. We ought rather to encourage the States. It may be that at times they may pass legislation which is distasteful to many of us. It may be that at times they may not deal out that even-handed justice to their employés which many of us would like. But I believe this — that in this democratic country our institutions and our franchise are so free and so wide and so liberal that a grievance which is pronounced and generally recognised will not remain long unrectified and unredressed. I believe, therefore, that the troubles in Victoria upon which this amendment has been practically based, and from which it has been evolved, will before long be rectified in the ordinary course of local self-government. I believe that they are capable of rectification without the intervention of this great national Parliament. We have to deal with wider Australian issues. We have to deal with Inter-State matters, with external matters and with Imperial matters. We should allow the States to work out their own salvation, and to solve their own problems as best they can. Surely we cannot doubt the democratic power and force of the Victorian people any more than we doubt the democracy of the people of New South Wales. Time rectifies all these grievances. Public opinion comes to the side of justice and rectitude. And I am sure that this grievance, about which so much has been made, and which many of us regret so much, can and will be remedied, without any attack on the autonomy of the States, and without any stretching or straining of the Federal Constitution, which we should all regard as the palladium and bulwark of our national life and liberties, and which we should all unite in protecting and defending against unnecessary invasion.

MR. HUGHES (West Sydney). — The Prime Minister, in speaking to the amendment moved by my honorable friend, the member for Wide Bay, disclaimed any intention of repeating any of the legal and constitutional arguments against the acceptance of the amendment. My honorable and learned friend, the member for Bendigo, has taken upon himself the duty of very ably and thoroughly presenting that aspect of the case once more. I am sure that the Committee is under a distinct debt to him for his clear and comprehensive presentation of the issue. I take it that the case has now been stated

sufficiently from that stand-point. We have heard two legal representatives on the one side, and we have heard my honorable friend, the member for Gippsland, who has dealt with the matter in his own clear and characteristic fashion. So that any man who may have wished for argument and explanation has had them to the full. I should have been very glad had some other honorable member, in addition to my honorable and learned friend, the member for Darling Downs, and my honorable and learned friend, the member for Northern Melbourne, chosen to reply to the honorable and learned member who has just sat down. But I should like to be permitted very briefly to say a word or two as to why we still regard it as an essential of this measure that railway and other public servants should be included. The Prime Minister said that the Convention did not contemplate the inclusion of public servants. I take it that we may for present purposes admit that such was the case.

Sir JOHN FORREST.—Their inclusion was never mentioned.

MR. HUGHES.—What the Convention did contemplate was impressed on it by an event which had then but recently occurred. The Convention contemplated the recurrence of perhaps one of the direst calamities that ever overtook Australia, and felt itself bound—the most conservative member of the Convention felt himself bound—to prevent any such catastrophe. After considerable discussion, therefore, and with great effort, and by a not very wide majority, this sub-section was inserted in the Constitution. But what have we to do with the intentions of the Convention? No one knows better than the Prime Minister and the honorable and learned member for Bendigo—and, indeed, they have admitted so much—that the intentions of the framers of this Constitution have absolutely nothing to do with the matter. And yet, having admitted so much, they refer again and again to the fact that the Convention did not contemplate the extension of this sub-section to the public servants of the States. It is a well-known and admitted fact that in this connexion debates in a Parliament or a Convention are not to be considered for one moment; and when I interjected to that effect the Prime Minister said that, while that was perfectly true, the Court would have a right, if a sub-section were ambiguous, either in words or intention, to consider the whole of the circumstances.

That I do not deny; but while the Court is to consider the whole of the circumstances, it is not to consider those circumstances as deduced from the statements of men in the Convention. I defy any honorable member to tell me of one case or one judgment where in the interpretation of an ambiguous section or statute, it is permissible to have regard to the statements of members in debate.

Mr. GLYNN.—It can be done sometimes.

Mr. HUGHES.—That the Convention did not contemplate the inclusion of public servants is not to the point, in any case. Had the railway strike, which lately occurred in Victoria, or had the other strike which occurred a little less recently in Western Australia, taken place at the time when the Convention was sitting, does any one here say that the Convention would not then have contemplated the possibility of a recurrence, and have inserted such a sub-section to meet the occasion? I should like to point out what Mr. Justice Clark, in his *Australian Constitutional Law*, sets forth, and to quote in support thereof, the statement of one who is, I suppose, the greatest jurist America has brought forth—Chief Justice Marshall. On page 19 of Mr. Justice Clark's work we read—

It has been repeatedly stated that the fundamental rule for the interpretation of a written law is to follow the intention of the makers of it, as they have disclosed it in the language in which they have declared the law. In cases in which the intention of the law makers was clearly limited to a specific purpose by the use of explicit and direct language, which is not capable of application to any other purpose, there cannot be any difficulty in applying the rule.

The writer goes on to say that, where there is any ambiguity, we are to interpret the language of the law by the process of construction, and proceeds—

A pertinent example of the application of this principle of interpretation to the language of the Constitution of the United States is found in the judgment of the Supreme Court of the United States of America in the famous case of *Dartmouth College v. Woodward* (a), in which Marshall, C. J., said "It is not enough to say that this particular case was not in the mind of the Convention when the article (b) was framed, nor of the American people when it was adopted. It is necessary to go further, and to say that had this particular case been suggested, the language would have been so varied as to exclude it, or it would have been made a special exception. The case being within the words of the rule must be within its operation likewise, unless there be something in the literal construction so obviously absurd, or mischievous, or repugnant to the gene-

ral spirit of the instrument as to justify those who expound the Constitution in making it an exception."

I take it that here we have a clear, definite statement of the principle that must guide any Court, and which must guide the High Court of Australia, when it comes to interpret this particular sub-section. The honorable and learned member for Bendigo has endeavoured to show—but I doubt whether it can be shown to the satisfaction of the Court—that it was the direct intention of the Convention to exclude the public servants of the States. If it is said that the Convention did not contemplate the matter at all, then obviously the Convention could not have had the intention of excluding public servants from the operation of the sub-section. If there is one feature about American decisions and the American Constitution that is worthy of attention, it is that to which I propose now to allude. The honorable and learned member for Bendigo and the Prime Minister declared that they had never heard, on any platform in the Commonwealth, nor read in any newspaper, one word to lead any one to believe that it was the intention to apply this sub-section so as to include public servants. I ask the Prime Minister, or any other man, whether the American citizens who adopted the American Constitution, ever for a moment contemplated some of those amazing decisions of the American Supreme Court, in which it was declared that such and such a thing was within the Constitution, not in such a measure as this, which on the face of it is arguable, and which might have been contemplated, but in regard to matters that, under no conceivable circumstances, could ever have been contemplated by any set of men who lived at the time the Constitution was framed.

Mr. HIGGINS.—It is like the National Bank.

Mr. HUGHES.—Undoubtedly. It is a feature of a written Constitution—the interpreter of which is a High Court—that, owing to its rigidity, it requires some instrument to extend it and push it in this direction or that—something to render it more elastic, and less rigid, and adapt it to circumstances. It is a feature of such a Constitution that it is always capable of being adapted at the instance of the High Court to strange and un contemplated circumstances. To say, therefore, that those conditions were not contemplated at the time, is to say no more than that which must ever happen

under a written Constitution, and will continually happen with the march of progress. There has lately been a railway strike in Victoria; and it is because of that strike, and for no other reason, that the amendment is moved. We support the amendment, because at this particular time the extension of the functions of the State in various directions is one of the cardinal principles in which the party to whom I and the honorable member who submitted the amendment are attached, believe. If it be declared that the Constitution does not permit of a law to adjust disputes which may, and in time must, occur between a State and its employes, all I have to say is that it will not be very long before the public servants of Australia will be such an appreciable number of the whole population that to allow them to remain outside the operation of a tribunal of this sort would be neither more nor less than an outrage, and would be, I believe, a fitting subject for indignant protest by those private employers who would be compelled to abide by the decisions of such a tribunal. Quoting the words of the honorable and learned member for Northern Melbourne, my honorable friend said that a strike in a railway service which would bring it within the scope of this Bill was inconceivable. I have nothing to say upon that, but that possibilities are not supposed to be bounded by the imagination. I have already pointed out that there have been numerous decisions given by the Supreme Court of America which would have transcended the possibilities of any imagination at the time the American Constitution was framed. Any man who can say calmly and assuredly that there is no possibility of another railway strike may be gifted with some greater degree of prescience than I can lay claim to, but I am rather of the opinion expressed by the honorable member for Bland, and I say, as the right honorable member for Adelaide said during the last Parliament, that one of the results of a strike is that whichever side is beaten goes back with a sullen determination to abide its time, and when its time does come, it unsheathes its sword with added vigour, and it thrusts with the venom that comes of subdued passions and denied rights.

Mr. FISHER.—And with a feeling of wrong and injustice.

Mr. CONROY.—I hope it will always be so, while men in the world have to struggle against injustice.

Mr. HUGHES.—I say, therefore, that we need to introduce such a measure as this for the purpose of preventing that which must inevitably occur in the long run. As to whether we have the power to do what is proposed, I am rather inclined to adopt the attitude of the honorable member for Bland, and say that that is a matter entirely within the province of the High Court. We have heard from the honorable and learned member for Bendigo a long and learned disquisition about the law on this point. We have had some excellent reasons put forward to show why it could not apply; but nevertheless one thing is abundantly clear: The gentleman, methinks, doth protest too much. If it was as clear as we have been asked to believe, why these long disquisitions, why these references to authorities, and why not, relying entirely upon the weakness of the other side, put the provision in the Bill, resting calmly on the assurance that the High Court will throw it out with contempt? But my friend, the honorable and learned gentleman at the head of the Government, knows full well, and indeed admitted it this afternoon, that the danger is not that the High Court will throw it out, but that they will keep it in. The honorable and learned gentleman said — “Supposing they keep it in?” Does any honorable member mean to contend that any action of ours can coerce the High Court? Will any man say that we can dictate to the High Court the law on this point? Obviously not. But while we cannot, by any action of ours, extend the powers of the Constitution, we may easily restrict them. We cannot go one step beyond that allotted to us by the Constitution under which we live, move, and have our being; but we may easily, from pusillanimity, or through dread of some of the bogies raised, be terrified from not going far enough. Let us then bring within the fold all those who we believe have the right to come within it, and leave to the High Court the business of saying whether it is constitutional or not that they should all be so included.

Mr. SPENCE.—Let us stand up for Commonwealth rights.

Mr. HUGHES.—It has been argued that the Crown is not bound by this section of the Constitution, and it has been said that consequently nothing we do will alter the matter. As to the Crown being bound, I admit at once that what has been said on the subject is well worthy of consideration.

Generally speaking, unless the Crown is named, the Crown is not bound. But in the case *ex parte Postmaster-General, In re Bonham* (1879), 10 ch., D. 595, at pp. 600, 601; 48 L. J. Bank, 84, at p. 87, decided by Jessel, Master of the Rolls, this judgment was given—

The question we have to decide appears to me to be a very simple one. The first point to be considered is what is the general law on the subject of the prerogative of the Crown. Now on that I think there is no dispute whatever. The general rule, as expressed in *Bacon's Abridgement*, 7th ed., p. 4621, is—"That where an Act of Parliament is made for the public good, the advancement of religion and justice, and to prevent injury and wrong, the King shall be bound by such Act, though not particularly named therein; but where a statute is general, and thereby any prerogative, right, title, or interest is divested or taken from the King, in such case the King shall not be bound unless the statute is made by express terms to extend to him," and the point came before the Court of Exchequer in *Attorney-General v. Donaldson*.

In some circumstances, therefore, the Crown is bound without being specifically named, and I take it that in such a case as this the onus is upon those who say the Crown is not bound, because not named. The honorable member for Bland (quoted sub-section xiii. and xiv. of section 51 of the Constitution, and the reference to banking, "other than State banking," and to insurance, "other than State insurance," to show that the Crown was bound, and I think his point a good one. We have powers over these things, and the honorable member pointed out that, because, under sub-section xxxv., State servants were not specifically exempted, they were therefore included. Under sub-section xv. of section 51 we have power to make laws in reference to weights and measures, and I ask whether, supposing a State starts a store, or adopts the Gothenburg system and runs an hotel, as the State of Western Australia has already done, it can be said that that State is not amenable to the law relating to weights and measures, though the State be not named in the Weights and Measures Act? Take the navigation law; will any man say that the King's ships are not included in that law if they be not specially exempted? If that be the law, I ask why, in the Navigation Bill now before the Senate, the King's ships are specially exempted?

Mr. ROBINSON.—Because they are exempt under the Constitution.

Mr. HUGHES.—That Bill is made to apply to all ships "other than the King's ships." But, in any case, will any man say that we have not a general power to deal

with the Crown, and that the Crown may not, by assenting, assent thereto, and thereby divest itself of its prerogative? Any one would imagine that, supposing this paragraph did not read, as my honorable friend wishes that it should read, and that the prerogative of the States vested in the Crown had not been taken away, we should not have the general power to legislate as we please, subject to the Constitution, and that this legislation would not take effect and bind the Crown, even if the Crown itself afterwards assented to it. Upon this point, the case, which has already been referred to by the honorable and learned member for Darling Downs, namely, that of the *Queen v. Byramjee*, appears conclusive.

"It was held that, though there was a reservation of the right of the Crown, yet, as the Act in Canada was made in pursuance of an Act of Parliament of Great Britain, the powers contained in that Act did take away the prerogative of the Crown." Thus it would seem that, in their Lordships' view, a Colonial Act assented to by the Crown, through its authorized representative could interfere with and regulate the exercise of the prerogatives of the Crown as the fountain of justice, so far as the rights of those under its jurisdiction were concerned. If so, there must be a similar power as to other Royal prerogatives of the same character, subject, of course, to the Crown's right of veto. And certainly it would seem that there is such power, if Gwynne, J., is correct in what he says in *Lenoir v. Ritchie*: "An Act of Parliament passed by the old Legislatures of the respective Provinces which now constitute the Federated Provinces of the Dominion of Canada, under the Constitutions which they had before Confederation, of which Legislatures Her Majesty was an integral part, as she is of the Imperial Parliament, upon being assented to by the Crown, was competent to divest Her Majesty of the right to exercise within the Province any portion of her Royal prerogative."

I say, then, that it is clear that even if it be held that under sub-section xxxv. of section 51 the Crown is not bound because it is not named, yet, if we inserted a provision naming the Crown, and the Crown assented to the Bill, it would be bound thereby. Therefore, all the arguments of my honorable friend, with reference to the Crown not being bound, fall to the ground. If this be a Bill for the redress of a public wrong, or one which is intended to secure good government and justice, the Crown, even if it be not named, may be bound, or if this be held to be not such a measure, and that the Crown needs to be specifically named to be not bound, yet if it be not so bound under the Constitution, it may by its assent divest itself of its prerogative, and so render the legislation operative. My

honorable friend says that the High Court will be governed to a large extent by the decisions of the United States Courts. That may be. I do not deny it; but that is a matter regarding which we must await the decisions of the High Court. All I know is that the American decisions, whilst they are listened to, do not decide the law, and must be considered as entirely distinct from English or Australian cases. I now come to the statement of the Prime Minister that a case could not arise under the amendment. I have already pointed out that it is conceivable that there might be a dozen cases. The possibility of there being one such case should in itself be sufficient to induce all reasonable men to join in adopting preventive measures, no matter at what cost. With the words of the Prime Minister, uttered when the Bill was introduced into the last Parliament, still ringing in my ears, and with a remembrance of the amazing benefits that we were told would flow from the substitution of arbitration for the barbarous weapon of the strike, I cannot reconcile the attitude of the Prime Minister towards the amendment with that formerly assumed by him. He admits that the point is arguable; but that he has a doubt. Yet his doubt is not so strong but that he concedes that we may by our decision include within the scope of the measure men who he thinks ought to be excluded from its operation. Here is a Bill which is to bring abundant blessings in its train, and yet the Prime Minister seeks to deny its advantages to a deserving section of the community, a section that, in Victoria particularly, has been treated very far from fairly by the local Legislature. The public servants of Victoria are now practically disfranchised, because, although it may be said that technically they have the same proportionate representation as other sections of the community, there is a fundamental difference between their present position and that which they previously occupied. Formerly the public servants could, by voting for this man or that in different electorates, influence the election and the subsequent actions and votes of many representatives. Now they can secure the election of only the two or three representatives which are given to them under the Constitution. These representatives can do nothing but voice the grievances of their fellows—they are powerless to remedy them. The whole of the representatives of other sections of the community will feel constrained to take up

an attitude of antagonism to the representatives of the public servants, and thus there will be three or four public service representatives on the one side, and all the representatives of their employers—the people—on the other. These men are denied justice, and yet they are referred by those who oppose the amendment to the State parliamentary tribunal. In New South Wales, where the public servants have certainly not less hope of obtaining justice, the State Parliament has deliberately created an impartial tribunal for the settlement of industrial disputes. Now I wish to deal with the argument to which the honorable and learned member for Bendigo has referred. He said that because there was no method of enforcing a decree of the Arbitration Court against the States, we could not assume that it was intended to bring States servants within the scope of the power conferred by sub-section xxxv. I interjected that his objection would apply also to the State Arbitration Act. In New South Wales there is no method, except such as are open to a Court in any case, of compelling the State Government to obey any of the decrees of the Arbitration Court. For instance, if the Commonwealth and a State Government went to law, and damages and costs, or even costs alone, were awarded against one or other of the parties, how could the verdict of the Court be enforced? Take the case to which the honorable and learned member referred. Suppose the Railway Commissioners of New South Wales were cited to appear before the State Arbitration Court. As a matter of fact, a case is now set down for hearing in which they will be asked to give preference of employment to unionists and to grant certain increments to which the men declare that they are entitled. The Commissioners are bound by Statute and could not comply with an order of the Court requiring them to give preference to unionists or to pay certain increments without the concurrence of the State Parliament. If that authority were obdurate, what could they do? No difficulty, however, is contemplated. The State Parliament at present is in favour of the Arbitration Act; but the party which is seeking to regain power is notoriously opposed not to the principles, but to the application of the Act. It is inimical to the measure, and would therefore be likely to prevent the State Parliament of New South Wales from doing anything of the sort. Can my honorable and learned friend, by ransacking his

brains, discover a case in which a State has refused to do this? If he can, it will be news to us. But if he cannot, we may pass his contention to one side, as one of those numerous objections which, in times of stress and difficulty, can be evolved at will by the ingenious advocate.

Mr. HIGGINS.—There is no power to compel any of our Parliaments to appropriate money.

Mr. HUGHES.—We admit that; but is it to be forgotten that we who sit here to-night have been charged by a majority of the citizens of the Commonwealth to do this very thing which my honorable and learned friend says is a direct violation of the most sacred rights of the Federation and of the citizenship of Australia? Are not we fresh from the people? Could any Parliament more accurately reflect popular opinion than we do? We come here having appealed to the people on this particular point. In some of the States other points were raised as well; but every one of us had to toe the scratch in regard to this particular matter. I myself was asked definitely, "Are you, or are you not, in favour of this?" I think every candidate was asked that question, and many a one who was asked it wishes to-night that he had given another answer. Those who propose to conciliate their consciences by elaborate argument and by ingenious references to difficulties, constitutional or otherwise, which exist or do not exist, cannot deny that the people were appealed to, and that every candidate was asked by the railway associations of Australia, "Are you, or are you not, in favour of the railway servants being included in the Arbitration Act?" Every candidate replied "Yes" or "No," because those who did not answer in the affirmative were understood from the terms of the letter sent to them to answer in the negative. Therefore, every one of us is directly pledged upon this question. A species of referendum has thus been taken. How, under these circumstances, can we be told that a grievous wrong is to be inflicted upon the citizens of Australia because we propose to compel the Parliaments of the States to do something of which the people have by an overwhelming majority declared themselves in favour. That is the great wrong which is to be done to Australian citizenship. This is what the honorable and learned member for Bendigo calls the beginning of the end, a violation, and a trap. He told us that if the people of Australia had known

that a Bill of this kind could be applied to the State servants they would never have voted for the Constitution. The people of Australia were told many things prior to Federation. That many of the occurrences predicted have failed to eventuate only those who have bad memories or unblushing effrontery can deny. But one thing we are practically clear about, and that is that the voice of the people has made itself heard under Federation. Some of us told the electors that possibly democracy would find itself strangled in the Federal Parliament. I was one of those miserable Jeremiahs. But I am pleased to say that Providence has made me out an arrant liar, and that the voice of democracy is stronger here even than the voice of the prophets of the chosen. Yet it is said that we contemplate a grievous wrong to Australian democracy by compelling the Parliaments of the States to vote money to do justice to their employés. Any one would imagine that the Federal Arbitration Court is to perpetrate some dire wrong, to inflict upon the States some unprovoked indignity, whereas it is being created to right a wrong. It is to require only that which justice indicates should be done; and ought not that to be approved, and adopted, by every Parliament in Australia? What Parliament will say, the decree having been made that the wages of this man or that man shall be increased, that it will not increase them? None of these honorable gentlemen contemplate a decrease, so that we can see how their thoughts run. Everything points to the fact that there is room for an appeal to Cæsar for an increase, but not for a decrease. If these honorable gentlemen were so confident of the justice of their cause, and there were already in existence tribunals to which civil servants could apply, would not those tribunals have reduced or increased salaries as the occasion might demand? Does not every one know that the employer is the least fit to decide the merits of his own case? Has it not been a maxim, accepted from time immemorial, that no man should be a Judge in his own cause? Should the States then be Judges in their own cause? We who believe in the extension of the functions of the State have set ourselves against the interference of politicians in State management. Have we not handed over to Commissioners the control of many Departments? Are we to suppose that they will not make errors, as other men do? Are not we to believe that they will some-

times be guided perhaps by a regard for commercialism rather than for the true interest of the State or the community, and should we then permit them to grind the faces of their employes in order to make surpluses; to unduly oppress their employes because there is no tribunal to which they can appeal for justice? I do not think so. It appears to me that the State Parliaments are not likely to refuse to do that which a tribunal created under this measure is likely to require. We are to assume that whatever it decides will be characterized by justice and by good sense. The people of the country will have ample opportunity to watch the working of this measure. In spite of the outcry against the New South Wales Arbitration Act, I venture to say that, if a plebiscite were taken in that State to-morrow, five out of every seven persons would vote for the retention of the Act, despite the powerful influences now arrayed against it. When the Early Closing Act was introduced there a violent outcry was made against it. It was spoken of as curfew-bell legislation; but now if a plebiscite of shop owners were taken in regard to its retention, not 10 per cent. would vote for reversion to the old condition of things. We do not know that a strike of railway servants will occur to-morrow or the next day. We seek to prevent it from occurring at all. Such a calamity would do more harm to Australia in one day than all the possibilities of the alleged violation of the spirit of the Constitution would do in ten years. What wrong will be done to any man if the amendment is agreed to? If it be within the spirit and the letter of the Constitution the High Court will declare it so, and it will become operative. But, if not, it will be invalid, and there will be an end to the matter. If it be within the spirit of the Constitution, we shall do a great wrong to the States and to the Federation by refraining from bringing under the operation of the measure a section of men who are, perhaps, more likely than any other to give occasion for the exercise of the functions of the Arbitration Court. I believe that the majority of honorable members will vote for the amendment, because the people have lately declared themselves, in the most emphatic way, in favour of its underlying principle. With nearly every powerful organ arrayed against this principle, the people in all the States have unmistakably declared for it. Under these circumstances

I cannot see anything in the argument that we propose to violate the Constitution. These States rights have been neglected by the very people who lately had an opportunity to safeguard them, and omitted to do so. These State rights, which are now safeguarded by the newly-elected senators, five-sixths of whom, I suppose, were returned upon the ticket to support it.

Sir JOHN FORREST.—No, no.

Mr. WATSON.—Yes, very nearly so.

Mr. HUGHES.—Of course, my right honorable friend is thinking of those halcyon days when what he says now was, indeed, nothing short of the truth.

Sir JOHN FORREST.—We did good work in those days.

Mr. HUGHES.—But the State which the Minister represents, formerly the most tame and submissive in the Commonwealth, has lately asserted itself in a manner so surprising, that the right honorable gentleman, who has been some little distance away from it, cannot conceive of the great change that has taken place there. He does not realize that this can be that State which was formerly composed of constituencies containing from five to forty-eight electors. These were the constituencies, I believe, which returned members to the Federal Convention on "a thoroughly representative basis." If I do my right honorable friend a grievous injustice, I ask him how many men elected him to that Convention?

Sir JOHN FORREST.—We were elected by the Parliament.

Mr. HUGHES.—How many electors returned the right honorable gentleman to Parliament?

Sir JOHN FORREST.—The whole of them.

Mr. HUGHES.—The whole of them could be put under the table of this House.

Sir JOHN FORREST.—What does the honorable and learned member desire to make out of that?

Mr. HUGHES.—When I said that five-sixths of the newly-elected senators were supporters of the proposal to include the Commonwealth and State public servants under this Act, my statement was challenged by the Minister.

Sir JOHN FORREST.—But what was the percentage of the electors who voted?

Mr. HUGHES.—If instead of five-sixths of the senators, I say that an overwhelming majority of them are pledged to support this proposal, will the right honorable gentleman correct me again?

Sir JOHN FORREST.—I do not believe that. The question was never put to the electors.

Mr. HUGHES.—I repeat that an overwhelming majority has been returned to the Senate who will vote for the application of this measure to the public servants of the Commonwealth and of the States. Since these guardians of the Constitution so lately crowned with the people's approval are prepared to act thus, why should the Minister for Home Affairs grieve his maiden soul by doubts as to whether we are violating the Constitution? We shall do no wrong to that charter of government by making this measure applicable alike to private employés and to the railway employés of the States. If we fail to do so, and a strike ensues, I shall hold that the right honorable gentleman has done his share towards committing one of the most grievous wrongs that any citizen can commit.

Mr. WATSON.—We should still have to interfere.

Mr. HUGHES.—Yes. Supposing such a state of things did occur, are we to say that neither the Commonwealth nor any other authority in these States is dowered with sufficient power to intervene? Are we to stand idly by whilst Australia is paralyzed from one end to the other by reason of a strike? Obviously not. Power is conferred by the Constitution for the settlement of these disputes. We seek to exercise that power calmly and deliberately whilst we yet may, and whilst we are not inflamed by party passion. We ask honorable members to assist us to make this Bill applicable to every person throughout the Commonwealth who is likely to be affected by industrial disputes. It appears to me that we are not singular in our support of the measure, because at the recent elections nearly every candidate was asked how he would vote upon it, and as I have already said, an overwhelming majority of the electors voted for the return of its advocates. We ask now that the pledges given to the people shall be respected, and that the civil servants of the Commonwealth and the States, together with the railway employés of the States, shall be included in its provisions. So far as any constitutional difficulties are concerned, if they exist, I do not regard them as serious, because in the last resort the High Court is the only tribunal which can decide the issues involved. Whether the Crown is bound or not is immaterial, providing that it assents to the pro-

posed legislation. Upon the question of whether or not the law, if enacted, could be enforced, I would point out that the State Parliaments are not likely to obstruct the decisions of such a tribunal as is contemplated—decisions which are given in a right cause, upon a right occasion. Therefore, I hold that the Committee should adopt the amendment proposed by the honorable member for Wide Bay.

Mr. MALONEY (Melbourne).—In addressing myself to the proposal under consideration, I may remark that during the last three and a half months I have passed through an experience to which I hope no other honorable member will ever have to submit. At the recent general election this question was certainly put before the people, so far as the district of Melbourne is concerned. In the second contest for that constituency it was made absolutely the dominant question. At every meeting which I addressed it was brought prominently forward, and only at one of those thirty gatherings was a single hand held up against this proposal. The gentleman who voted against it subsequently informed me that he did so under a misapprehension.

Mr. O'MALLEY.—He was deaf and dumb.

Mr. MALONEY.—He was very much awake when I explained the position to him. When I mention that no less than four meetings were held in positively the most conservative portion of Victoria—I refer to Joilmont—and not a hand was held up against the proposal, I think I may fairly claim that the question was thoroughly threshed out. I was returned to this House to vote for the amendment proposed; but, even if I had not been, I should have voted for it just the same. I utterly fail to understand why we should deny an undoubted right to any human being, irrespective of whether he draws his wages or salary from a Government or from a private individual. I have not the slightest doubt that if the Prime Minister could see his way clear to take the opinion of the people on this question by means of a referendum—and if he would consult the Consul for Switzerland he would find that that could be done at a very moderate cost—the voice of Australia would declare that every human being in our midst should be under the same law, and then the honorable and learned gentleman would be willing to carry out that mandate. We have had it indicated in

the press that the writing is on the wall, "Beware! if you vote for justice to the public servants you must dread a dissolution!" That bogey has been manipulated by the press, but I feel satisfied that the division on this amendment will show that the representatives of Australia are determined to give justice to the people whether they be employed by Governments or by private individuals. I am somewhat at a disadvantage in having to follow two lawyers who have in succession addressed themselves to this question. One of those honorable and learned members repeatedly referred to the proceedings of the Convention, and a reference to a report of the debates of the Convention will show that I am right when I say that the introduction of the conservatism which tinges the Constitution was primarily and principally due to the representatives of Western Australia. Where are those representatives now? We find only one of them occupying a seat in this Chamber. By whom were they elected? By the people? No; they were elected by the State Legislature of the day. And I dare say every honorable member will agree with me that the Parliament of the Commonwealth would not be what it is if the Parliaments of the States had the power to nominate its members. I feel somewhat strongly on this question. I have heard many arguments as to the meaning of words which were uttered at the Convention, because I have had some experience of the High Court of Australia. I had a flutter before that Court for about two and a-half days, with the result that I was involved in costs amounting to £200. Did honorable members imagine when they voted for the creation of that Court that it would be so expensive a tribunal? Was it not thought when it was resolved that the Court should deal with petitions against the return of members that a deposit of £50 would be enough to cover all the costs of the inquiry? I was assured by my legal adviser, whose every contention was unanimously accepted by the three Judges, that if I carried the proceedings to their final issue costs amounting to £2,000 would be incurred.

Mr. SYDNEY SMITH.—It was pointed out during the consideration of the High Court Bill that the cost of taking petitions before the High Court would be very heavy.

Mr. MALONEY.—I would far sooner be ruled by this Parliament, elected as it is by the people, than by a High Court. I

have no desire to see the High Court placed in the position of the Supreme Court of the United States of America, and if at any time my vote can prevent the possibility of such a thing, it will be at once available. The honorable and learned member for Northern Melbourne, the late Mr. John Hancock, myself, and others who opposed the Constitution Bill did so, not because we were hostile to Federation, but because we desired that the people themselves should have the high power of amending the Constitution. I have a firm and full belief in my fellow-Australians, and feel satisfied that if the matter were put to a vote of the people they would sweep aside mere legal maxims and the frequent references which we hear to the Constitution of the United States of America. The States were deluged in blood before one of the small amendments which have been made during 100 years in the Constitution of the United States could be carried out. There is not one honorable member of this Chamber who would say that he does not trust the people, and if the majority of honorable members so recently elected vote for this amendment, why should there be any suggestion of removing it? The principle at stake has been enunciated by the people of the most conservative communities, as well as by those of the far-away back-blocks, which are so well represented here. Before constitutions are mankind was, or, in the words of one of the American poets, "Before I was a citizen, great nature made me." Why should we be bound down in the way to which reference was made a few moments ago by the honorable and learned member for West Sydney? Why should we be bound down to one principle if by waiving it we should do a great justice? Even if this amendment be in contravention of the Constitution, I maintain that the people require it, that their power should be dominant, and that we should consult them. As to the suggestion that there may be another election at an early date, I have only to say that while I am rather fond of a fight, three election contests within a period of four and a-half months are rather too much for me.

Mr. WILKS.—With an appeal to the High Court thrown in.

Mr. MALONEY.—I do not desire any further acquaintance with the High Court. I should prefer to see a change in reference to the method of dealing with election petitions; and I hope that this House will in

its wisdom ultimately make an alteration in the system. There must be a strict scrutiny of the way in which voting has been carried on throughout Australia. I trust that we shall soon go to a division on this question, for I do not suppose that the vote will be varied as the result of any speech. I was once placed in a peculiar position, and was led, perhaps from motives of curiosity, to ask various celebrated politicians whether they could tell of a vote which had been changed by a single speech. I could not, however, obtain even one satisfactory answer in respect of a parliamentary experience extending over thirteen years; and when I waited on the great people who sway the daily newspapers, I found that even they were unable to give me any information on the subject. Doubtless, we have all made up our minds as to the way in which we shall vote, and I hope that if the majority vote, if not on this, at all events on the next amendment, for what I believe to be the right principle, there will be no attempt to waive their decision. I know that those who are opposed to my views are as honest as I am in the opinions which they entertain, and if they were in the majority I should accept their decision.

Mr. REID (East Sydney).—I sympathize with the evident desire of honorable members that this should be a very brief debate. That desire is a sensible one, because the subject with which we are about to deal in a decisive way has really been discussed almost as fully as has any subject that has come before the House. I believe we shall all admit that whilst the opinions which prevail in reference to the amendment upon which we are about to vote are strongly divided, we can give one another credit for perfect honesty of conviction, and a desire not to violate any provision of the Constitution. I have often had to criticise the Government, as I suppose every leader of an Opposition has to do, but I think that in the case of this Government the necessity is unusually pronounced. I have had many justifiable opportunities to speak in no measured language of what appeared to me to be the undue evasion by the Government, on more than one occasion, of the responsibilities which attach to their position. But I think we must all admit that in this matter the Government have pursued a perfectly fearless and straightforward course. Whatever the result of this division may be to my honorable and learned friend, the Prime Minister, he will have that which

will probably be almost more valuable to him than a victory—the consciousness that he has throughout maintained the highest traditions associated with the distinguished office which he fills. To my great regret, I find myself compelled to agree with the view which he has expressed. I do not wish, on the present occasion, to enter into any theoretical discussion as to whether the proposal now before us would work out in a good or bad way. I consider the matter concluded by the view which I take of the Constitution under which we live, and that the words in the Constitution which enable us to pass any measure of this sort mark out very clearly and afresh what was the main principle of the Commonwealth Constitution. We had before us a choice between the system adopted in the United States many years ago, and that adopted not so long ago in Canada. These two Constitutions, in one radical respect, are directly opposed. In the case of America, as we all know, and as was often pointed out, the States surrendered no power which was not expressly conferred by the words of the Constitution, or by necessary implication. On the other hand, in the case of Canada, it was decided to follow a different principle, and to provide in the Constitution that everything not expressly reserved to the States should be deemed to have been conveyed to the Dominion. In the Convention we had these matters before us, and after a thorough discussion amongst the elected representatives of the people of Australia it was deliberately decided that no power should be taken from the States which was not expressly given to the Commonwealth. That is the basis of the Constitution and the words in subsection xxxv. of section 51, which refer to this question—"extending beyond the limits of any one State"—are only a repetition of the principle which is the main-spring of the Constitution. The civil service of each State—the railway service of each State—has no possible sort of connecting link which crosses any of the borders of a State; they are complete entities. The civil service of New South Wales is an absolutely distinct body from that of Victoria or that of the Commonwealth. The railway service of New South Wales is an absolutely distinct body from that of Victoria, or that of any other State. They are under absolutely different laws, absolutely different authorities, and there is no sort of connecting link. That was not the condition

of things which was pointed to by the words—"extending beyond the limits of any one State." I think the members of the Convention, who discussed this matter very fully on many occasions will agree with me, that the object we had in view in inserting that provision—which I admit was only inserted in its closing hours—was to provide for disputes such as those which might arise with sailors passing from the port of one State to the port of another State, and perhaps right round from State to State, or persons who would work in the course of a shearing season first in one State and then in another. It was occupations of that kind and conditions of that sort which we intended to deal with in connexion with the extension of this principle of conciliation and arbitration.

Mr. HUTCHISON.—Did not the right honorable and learned member vote against it?

Mr. REID.—Does that affect the constitutional argument I am speaking of?

Mr. HUTCHISON.—The right honorable and learned member used the word "we."

Mr. REID.—May I suggest to my honorable friend that the question whether I voted for or against the provision has nothing to do with the interpretation of the Constitution. I am now dwelling on a matter which has nothing to do with the views of the members of the Convention. We have got beyond that, we are dealing with the law such as it is, and I am not at all sure that I did vote against it.

Mr. HIGGINS.—Yes.

Mr. REID.—I confess that I do not carry *Hansard* about with me from year to year; and having a scrupulous regard for accuracy—in Victoria, at any rate—I do not wish to be committed to that statement. But I do know that the matter was expressly put in this way in order to respect the cardinal principle of the Constitution, and because it was recognised that any attempt to assume a right to interfere with any State as a State would be resisted to the uttermost. To introduce the principle which is aimed at by the amendment—that is, to omit the words in the Bill which seem to me to follow the lines of the Constitution—would, it does appear to me, be to assume a power of interference with the working of the public service and the working of the railways of the States. I do not think that we have any power of that sort, and that is sufficient for me. The clumsy expedient which was suggested of passing this amendment, whether it is constitutional

or not, in order that some outside tribunal might be appealed to, was one of those amiable endeavours to bridge over a political difficulty which is inseparably connected with the name of the Minister for Trade and Customs. I believe he was the author—

Sir WILLIAM LYNE.—The right honorable and learned member is quite wrong this time.

Mr. REID.—I have not had the advantage of attending the deliberations of the House of late, but I understand that at least twelve different ways of solving this difficulty in the most peaceful fashion have been suggested by the Minister for Trade and Customs, not only to the Government, but also to the Labour Party. I believe that my honorable friend was perfectly prepared, if none of these twelve methods were accepted, to take possession of the whole affair himself.

Sir WILLIAM LYNE.—I never was "Yes-No" or "No-Yes," though.

Mr. REID.—That was only because there was no alternative that the honorable gentleman could have adopted. If an affirmation or a negation could be divided into a larger variety of shades, I am sure that he would have advocated the application of them all in this trying situation. I do not know whether it was a public utterance, but I asked the honorable gentleman across the table to-day—"Can you not find any way out of this difficulty?" and he said—"I could find a dozen ways out of it." Yet we are told that there is no dissension in the Cabinet. From what I know of my honorable friend, and the industry which he displays in political situations of this embarrassing character—

Sir WILLIAM LYNE.—I turned the right honorable and learned member out, though.

Mr. REID.—On that occasion the honorable gentleman was, as he often is, the humble instrument of others.

Sir WILLIAM LYNE.—Quite so, like the right honorable and learned member.

Mr. REID.—It is only fair to say that the honorable gentleman has always been ready to become the humble instrument of others, and never was more so than on the present occasion. I do regret that my honorable friends who constitute the Labour Party have not been able to accept any one of his twelve suggestions.

Mr. FISHER.—We have not had any of them.

Mr. WEBSTER.—They have not come this way yet.

Mr. REID.—Of course the honorable member must not expect that these delicate matters are confided to a gentleman who has so recently become a member of the family circle. I have never yet discovered the Minister working in that fashion. I am in this unhappy and yet enviable position that, whilst I must by my vote give support to the Government, a number of my independent supporters assert the right of putting them out. I view the situation with mixed feelings. I feel that the Government ought to be put out. I have never ceased to feel that since the Government came in. But if there ever was an occasion in the history of Australia when my views were pronounced I suppose this is that occasion. It is well known that this matter was threshed out in the House before the recent appeal to the people, and a large number of the members of the Opposition asserted their right of voting as they did for the amendment moved by one of the members of the Labour Party, as a number of other members of the Opposition asserted their right in voting with the Government. Since then the Opposition have gone to the country as a party, with the right reserved to every member of it to vote in this matter entirely as he thought fit. I have been censured for not exercising more actively the duties of leadership at this juncture. My honorable friend the Prime Minister thinks that I have shown an amazing want of leadership. My leadership when the Naval Agreement was at stake was masterly. It had the effect of saving the Government from a crushing defeat, and of giving them a magnificent majority, behind which—or, rather, in front of which—they assumed a very manly attitude. I have on other occasions, and the party have on other occasions, come to the rescue of the Ministry.

Mr. PAGE.—The right honorable member is always their saviour.

Mr. REID.—I think it is a noble character to give to an Opposition that it has often played the part of the saviour of the existing Administration. Every one will admit that they have always needed a saviour; and I suppose they have never needed one more than on the present occasion. I intend to vote with the Government. When the House met, I thought it only fair that the Government should know that, whilst I made that declaration, I did not wish then to cultivate any fictitious fearlessness under any mistaken conception. I guarded my

utterance by telling the Government that I could only assure them of my own support, and that a large number of members of my party took a view different from my own. I believe that that will prove to be the case when the division is taken. But the point which surprises me most of all in the position in which we find ourselves is this: that there are some wild ideas gaining currency that the members of this party—which, with this right of giving independent votes, has gone before the people of the country, and has fought under the banner which I raised in that great struggle, and has come back victorious—must be considered, if they exercise that right, to have left the Opposition and joined the Labour Party. Well, it would be a great acquisition to the Labour Party if it could gain the allegiance of a number of those honorable members whom I have the honour to lead. But I think I may fairly say that, leading as I have always had the honour to do a party of honest and loyal men, when they have the slightest idea of deserting the banner under which they have fought I feel sure that the announcement will be made to me. I admit the dazzling attractions and the multitude of temptations which are illuminating the political horizon at the present time, and I can quite understand that sudden visions of Ministerial grandeur might cause even a statesman who has been one of the advanced members of the Labour Party to announce solemnly and publicly through the press, that of course when the Labour Party comes into office they will have no idea of passing the whole of their programme. Judicious excisions will be made; the demands of diplomacy will be respected, and the full prescription which is to save Australia will be reduced to homeopathic dimensions. Already we hear the language of mature statesmanship from some of the advanced members of the Labour Party. So far as I am concerned, I suppose that in this particular state of public affairs there is no man with a well-balanced mind who can envy the position of the Government. I am sure I do the Prime Minister and many of his colleagues no injustice, when I say that the present position of this Chamber is such as to make the present conditions of leadership a source of no satisfaction, and of no honour. I do not think the Prime Minister could give a stronger or a more genuine proof of what he has publicly uttered, than he has done throughout the whole of this trans-

action. I only hope that any one who follows him will imitate the high example which he has set. So far as I am concerned, I believe I have so just a judgment of the serious difficulties which surround, not only this Parliament but this country, that no one could look to the prospect of Ministerial responsibility—that is to say, no one of experience could look to the prospect of assuming responsibility for public affairs—with a light heart. So far as I am concerned, as I say, I most unhesitatingly adopt the attitude which the Government have assumed on this question. I have an absolutely clear view—it may be mistaken, but it is absolutely clear—that any such course as is now proposed would be a breach of the Constitution, and would be a serious—a most serious—assault on the integrity of a national compact, in its most vital provisions. I feel—and I wish my position at the present time to be one of absolute clearness—that, if I were in the position of the Prime Minister to-morrow, I should just as fearlessly and resolutely, to the very last, take up the position which he has taken up.

Mr. FISHER.—In this matter, the right honorable gentleman means.

Mr. REID.—I am only referring to this matter. I have no sort of objection to the principle which underlies this measure for conciliation and arbitration. I think, as I have often said, that departures have been introduced into our system of law which are of the most extreme and dangerous type, and which can be justified only by results. I am free to admit, as one who comes from a State where this experiment has been working for some time, that if our experience there during the next two years does not become more favorable than it has been during the last two years, there will not be the slightest chance of the law remaining on the statute-book of that State. I make that statement because I believe that those who will be found most opposed to the continuance of the law will be the working classes of New South Wales. But I still hope that in the course of the next two or three years the conditions surrounding this attempt to secure a great and noble end will be more promising. We must remember that this was entirely a new departure, and that a multitude of rankling grievances and disputes were almost bound to come to the surface the moment the Act was passed. Therefore, in spite of the unfavorable experience and unfavorable effects of this Act in New

South Wales, I hope that, as matters become more settled, the experiment will be a much greater success. But we must remember that, all through, this has been absolutely an experiment—only an experiment. We must remember that some of the grandest representatives of labour in the world, and some of the grandest associations of the most skilled labour in the world, have just as strong views against compulsory arbitration as the leaders of labour in Australia have in favour of the system. I only mention this fact to show that even in the ranks of representative men, who stand highest in the scale of intelligence and in loyalty to the real interests of labour throughout the world, a vast majority at the present time are absolutely opposed to the principle of such legislation. In endeavouring to make Australia as we all, I am sure, are endeavouring to do, the most advanced, the most enlightened, the best governed, and the most fair and generous country in the world in relation to those who have least and who suffer most—in our desire to advance the general welfare and happiness of this Continent by a fearless spirit of progress and of experiment—we must occasionally remember that all the political intelligence and all the political insight in the world is not entirely monopolized even by the Labour Party of Australia.

Mr. WATSON.—I do not think we claim that.

Mr. REID.—I know the honorable member has not yet made any official utterance to that effect.

Mr. WATSON.—I shall make an official disclaimer if the right honorable and learned member likes.

Mr. REID.—But the language of my friend, the honorable member for Bland, has recently, and very rightly, assumed a degree of gravity which is very interesting. One of the pleasures of these political controversies in the Federal House is the feeling of personal esteem which we entertain for one another—leaving myself entirely out of the question—and which I entertain for the head of the Government and also for the head of the Labour Party. I have never, I hope, concealed the respect and admiration which I entertain for my friend who leads the Labour Party. I cannot fail to perceive that to restore the political state of the Commonwealth to a sound basis there must be a great deal of desperate political fighting. The people of Australia, whichever way they decide,

must be aroused by all political parties to a keener perception of the importance of applying their intelligence and patriotism to problems affecting the common weal. One of the best and greatest advantages which we can reap for the anxieties and tribulations of a political crisis in this House is that it may tend to quicken the conscience of the Australian masses, and bring the intelligence and patriotism of an ever-increasing number of the people of the country within the sphere of active politics. As a result of the division which is about to take place, I look forward to very great changes. I look forward to the beginning of a struggle which will make history for many years to come. But, in the beginning of this great struggle, it is a source of satisfaction to me that, whilst we are on the brink of a crisis, and whilst the feelings of members are justifiably keen, there is an air of good feeling and of toleration for differences of opinion on the part of all leaders of parties, and all the members of this Parliament, which augurs well for the future of this country, whatever the result of the crisis may be.

Mr. ISAACS (Indi).—I desire to say a few words on the amendment before the Chamber. Before I address myself closely to the matter in its legal aspect, and then in its aspect of desirability, I should like to point out distinctly that, in voting for or against this amendment, it ought to be thoroughly understood that we are not mingling two matters which may, on the face of the amendment, be involved. These two matters are the relation of the Commonwealth servants, as well as that of the State servants, to the measure. This amendment touches both; and entirely different considerations will prevail with regard to the Commonwealth servants as distinguished from the State servants; because, if this amendment be lost, the Bill will exclude both Commonwealth and State servants. But the debate has proceeded, and, as I understand, will continue upon the basis that we are discussing the question of applying the Conciliation and Arbitration Bill to the public servants of the various States. We must all recognise, as has just been said by the leader of the Opposition, that the occasion is one of great importance. In the remark that a change of Government is always a matter of importance, I agree with the leader of the Opposition, but with the epitaph he has pronounced on the retiring Administration I do not agree. I shall only say of the Government, as a

supporter who, I think, has been at once independent and loyal, that I believe the memory of this Administration, which has been substantially the same throughout, will be for all time associated with measures great in themselves, and especially great in that they mark, in many instances, the initial steps in the building up of this great Commonwealth. There is a matter of greater importance than that of a change of Government involved in this question, and that is the relation, present and future, of the Federation and the States. That is a matter of enormous gravity, and I feel that, while maintaining the attitude I took up in the last session of the previous Parliament, I should say a few words on the legal aspect of the question, to which I did not address myself on the last occasion. I have maintained, as I have said, the same opinions, confirmed by further thought, that I had the honour to address to the Chamber on the point of expediency. With regard to the legal position, after the best thought I am able to give to the matter, I regret to say that I do not believe any man can pronounce definitely as to whether this proposal is constitutional or not, until the matter has been decided by the tribunal to which the Constitution has intrusted its decision—namely, the High Court.

Mr. O'MALLEY.—There a lawyer speaks.

Mr. REID.—The Ministry would find the honorable and learned member's advice worth taking.

Mr. ISAACS.—If any justification were needed for the expression of so guarded an opinion as that it is to be found in the diversity of the opinions expressed by legal members of the House.

Mr. HIGGINS.—How is your vote going?

Mr. ISAACS.—We find arguments of great weight in the observations of the Prime Minister, who quoted portions of the Constitution indicating that State servants are by implication excluded from the operation of certain sub-sections of section 51. We have had observations of equal weight from the honorable and learned member for Northern Melbourne, pointing out portions of the Constitution the direct inference from which is that they are included by implication in the provisions of the Constitution. We have had to-night most important speeches from the honorable and learned member for Darling Downs and the honorable and learned member for Bendigo. All these honorable and learned members have thrown a

vast amount of light upon the subject, and have contributed much erudition to the discussion. I was going to say to the solution of the question, but that is beyond our capacity at the present time. If we look at section 51, sub-section 11, which confers upon the Commonwealth Parliament the power of dealing with taxation, and if we then note that under section 114 State property is excluded, the natural inference is that, but for that express exclusion, the States would come within the former section. Then, if we turn to the preceding sub-section of section 51, under which the Commonwealth Parliament is given power to deal with trade and commerce with other countries, and among the States, we shall find that, by section 98, State railways are declared to be within the province of the Federal Parliament in regard to trade and commerce, and yet, apparently, without that express mention they would be outside our jurisdiction. We have in the provisions of two consecutive sub-sections of section 51 and other co-relative sections of the Constitution, material for exactly diverse opinions. When we go further, and refer to the banking and insurance sub-sections, great weight is to be given to the argument of the honorable and learned member for Northern Melbourne, because it is impossible to say that we can ignore those words, "other than State banking," and "other than State insurance," and giving the weight which a lawyer would be disposed to give to those words, the Constitution must mean that, if those words were not there, State banking and State insurance would undoubtedly be included in our powers. Then we have sub-section xxxii, referred to by the honorable and learned member for Darling Downs, dealing with the control of railways for the transport of naval and military forces. Surely it could not be thought, for an instant, that State railways would be excluded in connexion with such a matter. It would be idle to put in the Constitution a provision that the Commonwealth Government should have the power of controlling and regulating the transport of troops, naval and military, over the railways of Australia, and to read it as meaning that it should apply only to private railways. That would be futile. Other sections may be referred to in the same way, and therefore we are left, as the Constitution now stands, in a state of indecision. It has been said, notably by the honorable and learned member for Bendigo, that the well-known maxim of English law, that an Act is not to bind the Crown unless the Crown is expressly

mentioned, or unless there is a necessary intendment, clearly shows that the Convention that framed this Bill, and the people of Australia who accepted it, never contemplated the inclusion of the States within the purview of its provisions, unless they were expressly mentioned.

Mr. HIGGINS.—Does the honorable and learned member think that that maxim about the Crown applies to a Constitution?

Mr. ISAACS.—I do; and I am going to say why I do not agree with my honorable and learned friend the member for Bendigo. This Constitution, as it was passed by an Australian Convention and approved by the Australian people, was not the Constitution that we have before us now. The Constitution that left Australia and reached the Imperial Parliament contained in the second section these words—

This Act shall bind the Crown.

Therefore, as the Constitution was accepted by Australians, and as it left Australian hands, undoubtedly the States would have been included, in my opinion. I think that if we recollect that it will harmonize many of the differences which have found expression during this debate, as it will show that there was no necessity to specifically mention the States in many of the sub-sections of section 51, such, for instance, as the sub-section dealing with conciliation and arbitration, and that relating to railways, because in the very forefront of the Constitution were those commanding words, "This Act shall bind the Crown." The Imperial Parliament struck out those words.

Mr. BATCHELOR.—That seems to have been overlooked.

Mr. CONROY.—Were they not included in another part of the Constitution?

Mr. ISAACS.—No. I desire to say that by the simple elimination of those words I fear and believe that the Constitution will have in many respects a different operation from that which it would have had had those words been retained. That simple fact will convince us that we cannot rely on the argument that it was not the intention of the Convention to bind the Crown. But, as a matter of law, we have to look at the Constitution as it stands, and to recollect that the Imperial Parliament, in the exercise of its right, however it may have grated upon the feelings of Australians who framed their own governmental agreement, did materially alter the Bill that was sent home to them. The High Court will have to decide whether the Crown is bound by the measure as it stands

upon the statute-book. I venture to predict that it cannot be held that the same universal principle applies throughout the Bill. No principle of statutory interpretation is more deeply rooted in law than this, that no Act shall bind the Crown unless by express words, or by the nature of the enactment. As late as 1902 the Lord Chief Justice of England, in determining the case of *Hornsey Urban Council v. Hennell*, 1902, K.B., page 80, said—

“The intention that the Crown shall be bound, or has agreed to be bound, must clearly appear, either from the language used, or from the nature of the enactments.”

Mr. Hardcastle in his work on Statutory Law, at page 385, and elsewhere, points out most clearly, and marshals his authorities for stating, that when the King assents to a law that is presented to him, it is understood that it is to be binding on his subjects only, unless the King himself is specifically mentioned, or the implication that he is to be bound is so strong that it cannot be resisted. Not only does that apply to the Crown directly, but, as has been held in many cases, it also applies to Commissioners under the Crown. The Railway Commissioners are intrusted with Crown property or functions for convenience of administration; and no difference of result can be deduced from the fact that Railway Commissioners, and not the Crown direct, are affected.

Mr. FISHER.—Would the Bill extend to municipal councils?

Mr. ISAACS.—They do not represent the Crown.

Mr. FISHER.—But would they be included in the Bill?

Mr. ISAACS.—They would not be included in the amendment. We are deprived of any argument arising from the express inclusion of the Crown, and we have to fall back on the nature of the enactment. It would be profitless for me to go through the various arguments that could be adduced on both sides as to the nature of the Constitution—on the one hand, that it is important that it should be a great national instrument, that we should have the broad construction, as it is called in America, so that the nation shall have as little resistance as possible offered to its development, and as few fetters as possible placed upon its growth, or, on the other hand, that the Constitution should be strictly construed, and that the States are entitled to exercise, according to the

words of the Constitution and the spirit of the enactment, all rights in respect to their own Departments retained by them, and necessary for the carrying out of their own functions. These are matters that will have to be determined by the High Court, and it is possible that every subsection of section 51 will have to stand on its own footing. The result may be that we shall never have a decisive interpretation of any one section by reason of the meaning attached to another. We shall have to determine the form and effect of each subsection of section 51 by itself, and I foresee no very pleasant prospect for the States or the Commonwealth in the multitude of cases in which the High Court will be called upon to determine the functions of the Commonwealth and the rights of this Parliament. I think I have shown honorable members that no man can pronounce, with any degree of definiteness with regard to our powers in reference to conciliation and arbitration. I have the misfortune not to agree with the Prime Minister as to the application of the American cases. I think they are entirely beside the question. In the Privy Council case of the *Bank of Toronto v. Lambe*, it was pointed out that the principle of the American cases did not apply to Canada. In America the States and the Federation exist side by side independently of each other, except in so far as the tie of the Constitution goes, and that there is no power above them common to both. With us, however, the Crown is above all. It radiates through every part of the British dominions, the British Islands, Canada and every Colony, State, and Possession. Such is not the case in America, and this at once marks the fundamental distinction between the American Constitution and our own. The Supreme Court of Victoria, following the line laid down by the Privy Council, has held that the American cases do not apply here.

Mr. DEAKIN.—Was that following the line of the Privy Council?

Mr. ISAACS.—I think so, distinctly.

Mr. DEAKIN.—I take leave with all respect to doubt it.

Mr. ISAACS.—I say with great deference that that is my view. The honorable and learned member for Darling Downs quoted the American legislation with regard to the Arbitration Acts, 1063 of 1888, and 370 of 1898. These measures, although they provide for arbitration between railway companies and their employees, relate

only to voluntary arbitration, and there is no compulsory element in their provisions.

Mr. GROOM.—But the enforcement of the judgments of the Court is compulsory.

Mr. ISAACS.—Only to this extent: That if the parties choose to arbitrate they are bound by their agreement, which is capable of being enforced. They are not bound in spite of themselves—they need not be bound at all. If two parties each choose to appoint an arbitrator, the arbitrators may appoint an umpire, or in the absence of an agreement as to the umpire the chairmen of the Inter-State Commerce Commission and the Labour Commission may appoint an umpire. If an agreement is arrived at it is binding upon both in the same way as a voluntary contract.

Mr. GROOM.—They do not rely upon the contract, but upon the right of the State to interfere with trade.

Mr. ISAACS.—The Acts simply provide that certain parties may enter into a voluntary bargain, and that if they do so the bargain must be carried out in a certain way. These provisions, however, throw no light whatever on the construction to be placed on sub-section xxxv. of section 51. Now what is our duty? If we are not clear as to the powers of Parliament, should we refrain from dealing with the matter on its merits? I say "No." If the matter were perfectly clear; if I were sure beyond all possibility of doubt that it was unconstitutional, I should refuse to fly in the face of the law, but with anything short of the most perfect assurance that it is unconstitutional, we ought not to decide this question against ourselves. We must recognise that there is a High Court which has committed to it the function to perform this very work; and, therefore, I, for one, shall not refrain from considering this question on its merits. On the ground of expediency, I regret to say that I shall have to vote against the amendment. Last session I expressed, at considerable length, my views on the subject of compulsory arbitration. I endeavoured to explain why I supported it with my whole heart. I still maintain that attitude, and I do so for the very reason which will actuate me in voting against the amendment. I believe that the Arbitration Bill, as introduced by the Government, is one of such nobility of aim, such justice, such uprightness of purpose, with such power to conserve industrial peace, to preserve commercial enterprise, and to maintain commercial stability, that all classes of

this community, employers and employed alike, ought gladly to welcome it. Why ought it to be welcomed? To prevent strife, it is true; but how does that strife arise? It arises because of private cupidity, which is natural enough. Private interests, which every man is entitled to hold and maintain, naturally prevent him from taking an altruistic view of the position of his neighbour. It is right, I believe, that to avert greater evils, to prevent internecine strife, to prohibit quarrels between employer and employé, leading to the obstruction of production, and causing suffering, not only to the parties concerned, but to the community at large, that the public power should step in between two sets of combatants, and insist on industrial peace. But where no considerations of private greed, rapacity, or cupidity enter into the matter, where it is the whole people of a State who are the employers, I cannot recognise the analogy. There was a strike in Victoria, and it was settled by the Parliament of Victoria; it did not come before the people of the State for settlement. As a Federal legislator, I have no right to express publicly an opinion on the action of the Victorian Parliament. Whatever that may have been, I am not ready to impeach the whole people of Victoria of being unwilling or unable to do justice. The power that the amendment will give us, if the High Court should declare it to be valid, may be a necessary one to use at some future time in our history. I do not say that it is impossible that it should ever be so exerted. This Constitution is not for a day, or for a decade, but for all time. The States may in the future embark on undertakings which at present are left to private enterprise, and for the sake of securing uniformity, or for some other reason, the Commonwealth may require to step in and make a law to regulate them. But that time has not yet arrived, and merely because the employées of the Victorian people are not in our opinion justly treated, what right have we to interpose the arm of the Commonwealth between them and the State, and to fix the agreements between the two parties? I decline to be one to pass a vote of want of confidence upon the State in which I was born. Those considerations embrace pretty well all I have to say. The amendment involves the tearing up of every Act of the Victorian Legislature relating to the Public Service and to the railway service. Why should it be left to the Federal Judge

to disregard everything that the Victorian Parliament has said or may say on the subject of its employés? I speak of Victoria because that is the State from which I come, but my remarks are applicable to every State of the Union. Why should it be tolerated that the Federal Judge—because the two assessors will be sure to disagree—should disregard every Public Service Act and every Railway Act, and determine who shall enter the Public Service of a State, how they shall enter, when they shall enter, and upon what terms, how long they shall remain, what salaries they shall receive, what hours they shall keep, what work they shall do, how they shall be treated, what privileges they shall enjoy, and the people of the State have nothing to say in the matter except to pay? I cannot see that there is any justification for that. It may lead to a great deal of friction between the Federation and the States.

Mr. CONROY.—Even if it were constitutional, the honorable and learned member would not consider it expedient.

Mr. ISAACS.—I have said so. I think it would lead to a great deal of friction. I hope not. I can only do my best to give expression to the feelings and reasons which animate me at the present time. Considering the little amount of good that it could do, because, at the most, we can deal only with disputes extending beyond the limits of a State, I think that it will not be wise to put this affront upon the people of Victoria, by interfering with the self-government of that State. As a well-wisher of the Bill, and a strong supporter of it, as one who desires to maintain and further the principles which underlie and are interwoven with it, I consider the amendment, ably as it has been moved, and eloquently as it has been supported, a mistake. I hope that it may not prove a mistake, but, as at the present moment I believe it to be such, I feel it my duty, for the reasons I have given, to vote against it.

Mr. DUGALD THOMSON. — As there are other speakers, and the debate cannot finish to-night, I ask the Prime Minister—seeing that the speeches which we have had have been not only interesting, but confined within very narrow bounds—to report progress now.

Mr. DEAKIN.—The request is being made earlier than I hoped it would be, but as there are other speakers, it is a reasonable one. I invite honorable members, however, to assist us in closing the debate

to-morrow night. I think we can do so without unduly curtailing the remarks of any honorable member.

Progress reported.

House adjourned at 10.19 p.m.

Senate.

Wednesday, 20 April, 1904.

The PRESIDENT took the chair at 2.30 p.m., and read prayers.

PETITION.

Senator MACFARLANE presented a petition from the chairman of the Hobart Chamber of Commerce, praying the Senate to refer the Navigation and Shipping Bill to a Select Committee.

Petition received and read.

SPECIAL ADJOURNMENT.

POSITION OF MINISTRY.

Senator PEARCE.—I wish to ask the Vice-President of the Executive Council, without notice, whether in view of the proceedings in another place the Government intend to ask the Senate to go on with any business to-day or to adjourn as is frequently done on such occasions?

Senator PLAYFORD.—When a direct motion of no-confidence is pending, it is the practice of the Upper Houses in the States to adjourn. We have no information that a motion of no-confidence has been moved in another place. Notice of an amendment on which a decision will be arrived at has been given, but it has not yet been moved, and the proceedings are in Committee. Technically I do not see why the Senate should adjourn. We do know that a certain amendment will be moved, and that the Government will take it as a motion of no-confidence, and if it is carried the usual course will be adopted, but at the present moment the amendment, on which, if carried, the Government will resign, has not been moved by Mr. Watson. So far only an amendment to include civil servants in the Conciliation and Arbitration Bill has been moved.

Senator HIGGS.—Then the Government do not treat Mr. Fisher's amendment as a motion of want of confidence.

Senator PLAYFORD.—No, because we do not believe that it will be carried. We look upon the other amendment as the more

important one, because it proceeds from the leader of a party. Mr. Fisher's amendment does not proceed from the leader of a party, and it is not accepted as a motion of no-confidence. We do not regard even Mr. Watson's amendment as a motion of no-confidence, because we do not think that he will move it for the purpose of ousting the Ministry. We understand that he is rather friendly to us, and wishes that we would accept his amendment. Under the circumstances I propose to ask the Senate to proceed with the consideration of the Navigation Bill, but, of course, if honorable senators should wish to adjourn the Government are in their hands.

ACTS INTERPRETATION BILL.

Bill returned from the House of Representatives with amendments.

PAPER.

Senator PLAYFORD laid upon the table the following paper:—

Transfers of amounts approved by the Governor-General in Council, under the Audit Act.

PACIFIC CABLE: NEWS SERVICE.

Senator HIGGS asked the Vice-President of the Executive Council, *upon notice*—

1. Do the following extracts from an article by Sir Sandford Fleming, in the *Melbourne Herald* of the 11th January, 1904, contain a fair statement of the facts:—

"The Canadian Government, desiring to take full advantage of the newly-laid (Pacific) cable, passed an Order in Council on 7th March, 1903, pointing out that a news service was much needed; that such a service would tend to promote trade and extend commercial intercourse between the British countries at both ends of the cable, and that other advantages would result. Australia and New Zealand were invited to unite with Canada in taking steps to establish a press service across the Pacific, which would be free of charge to all newspapers, and that the limit should be 500 words transmitted both ways daily for a period of three months.

"The Government of New Zealand responded in favour of the proposal, but the Government of the Commonwealth raised objections to it. Up to the present time the objections raised have not been removed.

"The Pacific Cable has ample capacity for an enormous increase of business. All the press news desired to be sent for public information may easily be transmitted without in the least

interfering with other traffic, without increasing the working staff, and without adding a single shilling to the working expenses."

2. What were the objections raised by the late Commonwealth Government to the proposed free press service of 500 words?

3. Have the present Commonwealth Government any objections to the proposed free press service?

4. Will the Government state said objections?

Senator PLAYFORD.—The answers to the honorable senator's questions are as follow:—

1. It contains a fair statement of the facts so far as they relate to the actions of the Governments of Canada and of the Commonwealth, except that the latter was requested to join with Canada in asking the Pacific Cable Board to allow the exchange of such free press messages, and not to join in establishing a free press service across the Pacific.

2. The objections raised by the late Commonwealth Government were that the Post and Telegraph Rates Act would probably preclude joining in the request, and that such a step would be immediately met by similar action on the part of the Eastern Extension Company.

3. The present Commonwealth Government is compelled to abstain from joining in any action for the transmission of such free press messages, because, in accordance with the International Telegraph Convention, to which it is a party, a notification has been sent to the International Bureau, at Berne, that a uniform terminal and transit rate of twopence per word will be charged on all press messages sent by cable to or from the Commonwealth, irrespective of route, and the Service Regulations under that Convention provide that any alteration of tariffs must have for object and effect, not the creation of competitive charges between existing routes, but the opening of as many routes as possible to the public at equal charges.

4. Included in the answer to No. 3.

INTER-STATE CERTIFICATES.

Senator KEATING asked the Vice-President of the Executive Council, *upon notice*—

Will the Government, as soon as possible, cause steps to be taken to simplify the form of Inter-State Certificates?

Senator PLAYFORD.—The answer to the honorable senator's question is as follows:—

The Government is desirous of removing every restriction from Inter-State trade, and would gladly abolish Inter-State certificates altogether. As the result of negotiations between the Federal Government and the Premiers of New South Wales and Victoria, an arrangement has recently been made by which Victoria credits New South Wales with a fixed annual amount, determined by the average volume of trade during the past three years. Inter-State certificates are, therefore, no longer required for goods transferred between those States, but for statistical purposes a simple form of free entry is used. An

endeavour was made to include Queensland and Tasmania in the arrangements referred to, but without success. So long as the necessity continues of crediting the consuming State with the duty paid on each consignment of goods transferred, the States, excepting New South Wales and Victoria, require the Inter-State certificates to remain. The certificates have already been simplified as much as possible, and, in order to enable the necessary debits and credits to be made under the Constitution, it is absolutely necessary that the required particulars be furnished. It is impossible for the Customs to obtain these unless they are supplied by the consignor. If the honorable senator can induce the Tasmanian Government to come to the same arrangement as New South Wales and Victoria, the difficulty would be at once adjusted.

Senator KEATING. — We are not going to sacrifice nearly 30 per cent. of our Customs revenue.

ELECTORAL OFFICERS' CLAIMS.

Senator Lt.-Col. NEILD asked the Vice-President of the Executive Council, *upon notice*—

Is it intended to pay the presiding officer and poll clerks in the Brewarrina Division, New South Wales, for their services in connexion with the late election, 16th December, 1903?

Senator PLAYFORD.—The following is the answer to the honorable senator's question :—

Yes. The delay in paying these Assistant Returning Officers has been on account of their refusing to accept the amount recommended by the Divisional Returning Officer, who was the person who made the arrangements with and engaged these officials. An endeavour is being made to settle the matter.

PRIVILEGE.

FREEDOM OF SPEECH IN SENATE.

Senator Lt.-Col. NEILD (New South Wales). — Under the authority of standing order 112, I desire to bring forward a question of privilege affecting the rights of the members of this Chamber, and inferentially of another place. It is a matter which, in terms of the standing order, has arisen since the last meeting of the Senate, namely, a matter which I had every reason to suspect, but in respect of which I was not in a position to give an absolute affirmation, I have obtained definite and positive knowledge since the last meeting of the Senate, that, in consequence of a speech delivered here by an honorable senator, the General Officer Commanding has taken steps to secure the cancellation of that honorable senator's commission in the Military Forces.

The PRESIDENT.—I think that the honorable senator ought to read the motion with which he intends to conclude before he proceeds with his speech.

Senator Lt.-Col. NEILD.—I move—

1. That a Select Committee, to consist of seven members (to be chosen by ballot) be appointed to inquire and report to this Senate :—

- (a) Whether Major-General Sir E. T. Hutton, K.C.M.G., C.B., or any other person, has, in consequence or because of any speech or speeches delivered in this Senate by Senator Lt.-Col. Neild, recommended or requested that the said Senator be placed upon the Retired List of the Military Forces of the Commonwealth, or otherwise dealt with.
- (b) Whether the said Major-General Hutton, or Brigadier-General H. Finn, has, in consequence or because of any speech or speeches delivered in this Senate by Senator Lt.-Col. Neild, taken any action which has had the effect of preventing the said Senator from exercising and enjoying his office as Lieutenant-Colonel Commanding St. George's English Rifle Regiment.
- (c) Whether the said Major-General Hutton has at any time, in consequence or because of any speech or speeches delivered in this Senate by Senator Lt.-Col. Neild, attempted to interfere with or intimidate him in any way, either as a member of this Senate, or as Lieutenant-Colonel Commanding the said regiment, in the discharge of his duties as a Senator, or has censured or attempted to censure him, or has called or attempted to call him to task for his actions or speeches as a member of this Senate.

2. That the said Committee have power to send for persons, papers, and records.

3. That Senator Lt.-Col. Neild have leave to appear before the said Committee, and to call, examine, and cross-examine witnesses.

In the correspondence I have here, I have clear proof of everything that the Select Committee is asked to inquire into, with but one exception. I have not in my hands a written recommendation—which I have seen—on the part of the General Officer Commanding to secure my retirement from the Defence Force specifically because of statements made by me in a speech in the Senate on the Address in Reply.

Senator HIGGS.—Would the honorable senator propose to call Major-General Hutton?

Senator Lt.-Col. NEILD. — The Select Committee could call him.

Senator HIGGS.—Suppose that he would not come?

Senator DAWSON.—We would not have the power to call him.

Senator Lt.-Col. NEILD.—On that point I would draw attention to section 44 of the Constitution, which specifically empowers

members of the Defence Force to sit in this Parliament, and to section 49, which clothes this Chamber, as well as the other, with all the powers, privileges, and immunities of the House of Commons. The President will correct me if I am wrong in stating that every power and privilege which the House of Commons has claimed from time to time and exercised in defence of its rights, and those of its members and Committees, is claimed by, and is exercisable by, the Senate under the authority of the Constitution. I wish it to be clearly understood that no word will be uttered by me, and no question raised, in any way, regarding military discipline or authority. That is paramount in its proper sphere, and the Senate will not attempt to interfere with the exercise of military authority properly applied. The only question that is laid before the Senate is whether it will appoint a Select Committee to ascertain if the General Officer Commanding has exercised or sought to exercise his authority in a manner which amounts to intimidation under the resolution of the Commons House of Parliament; if he has sought to use his power to close the mouth of an elected representative of the people. That is the sole point which I ask my fellow members to inquire into. It has often been said in the transaction of our business that we are working under an entirely new Constitution. We are building up precedents time after time. We are making history, if we like to use so large a term. The doings of the Senate and of the other Chamber in their early days will lead to the laying down of important precedents for the guidance of those who come after us; and it is our duty, I take it, if it can be clearly shown that there is a case for inquiry, not to confer any privileges upon me as a member of the Chamber, but to protect the interests of this branch of the Legislature—indeed, of both branches of the Legislature. Because I submit with a great deal of confidence, and at the same time with a great deal of respect, Mr. President, that if this Senate once admits the right of the General Officer Commanding the Military Forces to tamper with the commission of an officer who sits here by right of the votes of the people, it will be equally competent for the Chief Justice of the High Court to tamper with the legal status of any member of the legal profession who sits here or in another place and advocates legal reform.

Senator DAWSON. — The Major-General might as well march his regiments into the Chamber and pitch us all out.

Senator Lt.-Col. NEILD.—Exactly. I have cited the Chief Justice. I go further, and say that if this position were allowed the Collector of Customs would be able to terrorise a Customs agent, or an importer, or a ship-owner, who had any business to do with the Customs, if he, as a member of Parliament, did something which did not appear to be pleasant to the Customs Department. I will, before I sit down, conclusively prove so much of what I want inquired into by the reading of a few extracts, which will show that I have a good case for inquiry. I do not propose to make a long speech, because I think that the Committee will be appointed. Before reading these extracts, however, I ask to be permitted to draw attention to one very important feature. It has often been said in my presence—I believe it has been said in the Senate—certainly it has been said in the neighbourhood of this Chamber—that officers of the Defence Forces ought not to sit in Parliament. I am not responsible for their sitting in Parliament, because to the last I voted against the adoption of the present Constitution. Therefore it was with no good will of mine that the Constitution became law.

Senator PEARCE.—The honorable senator is here against his will.

Senator Lt.-Col. NEILD.—To an extent, I am.

Senator HENDERSON. — But at the wish of the people.

Senator Lt.-Col. NEILD.—By the votes of the people.

Senator DOBSON. — Is there any rule or regulation affecting discipline which would prevent the honorable senator, if he were not a member of Parliament, from making the criticisms which, being a senator, he has made in Parliament?

Senator Lt.-Col. NEILD. — Certainly I do not think it would be proper; I do not think that a member of the Defence Force has a right to talk loosely or at large.

Senator DOBSON.—I am asking whether an officer, not being a member of Parliament, has similar rights?

Senator Lt.-Col. NEILD.—An officer not being a member of Parliament is not entitled to talk at large.

Senator DOBSON. — By continuing to be an officer, has not the honorable senator disposed of his right to raise that point?

Senator Lt.-Col. NEILD. — Does not a seat in this House involve more power, and is it not a more onerous position, than holding a commission outside? The fact that a man holds a commission does not take from him his right to speak as a member of Parliament. My honorable and learned friend was one of the framers of the Constitution. Let him look at the two sections to which I have referred. But I go further. I would call the attention of honorable senators to the state of the law in the United Kingdom. What I am about to cite is rather a transcript or paraphrase than an actual quotation, because the Imperial regulations are rather difficult to quote. In the King's Regulations, referring to officers of the Imperial Army sitting in the House of Commons, it is authorized that officers up to and inclusive of majors may sit in the House of Commons, and draw full pay while sitting therein. Colonels and Generals are authorized to sit in the House of Commons, but receive only half pay. And, sir, there are no more fearless critics of military and naval affairs in the House of Commons than the officers of both branches of those distinguished services. They criticise, not as I have done, merely the emanations from Government Departments — that is to say, the regulations passed by the Executive Council — for that was all that I drew attention to — but they criticise military and naval matters down to the smallest detail. They bring before the House of Commons and discuss at length the findings and proceedings of courts-martial. If necessary, I will, when replying, quote a very remarkable case by way of proving my statement, but I will not take up time by doing so now. As to the militia in England, I will quote from the Militia Act of 1882, section 38:—

The acceptance of a commission as a Militia officer shall not vacate the seat of any member returned to serve in Parliament.

The Regulation of the Forces Act, 1871, section 6, lays it down that—

The acceptance of a commission in the Volunteer Force by a member of the Commons House of Parliament shall not render his seat vacant.

I am sure, Mr. President, that you will entirely indorse this proposition—that a House of Parliament cannot consist of members possessing different qualifications. They must of necessity possess equal rights, equal powers, and equal privileges; and a man, whether he holds a commission, or is a non-commissioned officer, or a private

in the forces, if he is returned to Parliament, occupies an equal position with all other members, and a higher position, and a post of greater authority and power, than he holds by right of any parchment or any enrolled position in the Army, Navy, or Volunteers. He is here as an elected representative of the people to do their will, and to protect their interests. His rights as a member of Parliament cannot be affected by his holding a commission—which I may say, by the way, in my case, involves a position that is absolutely without the slightest remuneration, or the slightest personal advantage, but, on the contrary, entails a great deal of work and expenditure. To suggest even that by reason of occupying a minor position outside, an elected representative of the people within a legislative chamber is to have his mouth closed, and be the subject practically of threats and of censure, and finally, after other efforts have failed, is to be the subject of a direct application in writing for the cancellation of his commission as an officer, by reason of his having spoken in this Chamber, or in the other House, is to assent to an intolerable proposition.

Senator MCGREGOR.—Especially after being elected by 200,000 citizens.

Senator Lt.-Col. NEILD.—As my honorable friend makes reference to that fact, I need only say that I do not think it bears on the question, because we have all had a sufficient number of votes to elect us to Parliament, whether we were elected by 200,000 or by 2,000. In either case we are just as much representatives of those who sent us here. I think I am justified in reading a few words which I received from the first Minister for Defence we ever had in this Commonwealth, Sir John Forrest. I gave that right honorable gentleman notice that I was going to deal with a very serious question in connexion with the Military Forces—that I was going to direct the attention of the Senate to the suspension of recruiting. That was in 1902. In reply to my note, Sir John Forrest wrote:—

I may say that I have not the slightest objection to your bringing anything before the Senate you consider advisable, as it is "all in the day's work."

I think that is a hearty recognition by one who is a strong—and who is sometimes described as a head-strong—man, and a strong Minister, who recognises the abso-

lute right of a representative of the people to address the Chamber of which he is a member. I said that I would give a few extracts to prove precisely what I complain of. In the first instance, I will prove that there has been no haste or hurry on my part, and no desire to intrude upon the notice of the Chamber any matter that has the smallest personal application. I trust that no honorable senator will think that I am taking this action from any personal feeling, or that I have any personal object in view. No word shall fall from my lips to indicate a tinge of feeling beyond that of desiring to protect the rights of those whom the people have elected. It is not possible for me to read all the correspondence that has taken place, nor would it be useful to do so. The first incident to which I will allude occurred in June, 1902.

Senator DAWSON.—Cannot the honorable senator give us a précis of the correspondence?

Senator Lt.-Col. NEILD.—It amounts to this—

Senator PLAYFORD.—Are not all these matters to be inquired into?

Senator Lt.-Col. NEILD.—No Military Board of Inquiry can discuss a constitutional question. My honorable friend would not wish to subordinate the authority of Parliament to a board that cannot compel the attendance of witnesses and cannot take evidence on oath.

Senator MCGREGOR.—We ought to have everything bearing upon the question.

Senator Lt.-Col. NEILD.—I want everything inquired into so that the matter can be settled. I made a speech in the Senate in 1902. It had reference to a sum of £30 odd, which was nominally to be voted for a regiment in New South Wales, but which was actually to be spent as part of the pay of an officer on the Head-Quarters Staff, who was being sent all over the Commonwealth doing certain clerical work. I objected to that payment, and moved that a request be made to the other Chamber to omit the sum. Possibly the Attorney-General, if I recall it to his recollection, may remember that when I was asked for an explanation, in the course of the debate, I found that it was impossible to give a proper explanation without disclosing facts that came to my knowledge as an officer. Therefore, I explained that matter to the Chamber, and asked leave to withdraw the motion. I have studiously avoided uttering a word that was

disrespectful to my superior officers in my capacity as a soldier, and I have studiously avoided discussing at any time any question of military discipline. But this matter has nothing to do with military discipline. It is simply a question of the protection of the rights, powers, and privileges of the Senate. Without going into the whole matter at this stage, I will put it in this way. I was sent for—

Senator STYLES.—When was this?

Senator Lt.-Col. NEILD.—In 1902. I was sent for next morning to the Victoria Barracks. Here is the letter. It does not say what Major-General Hutton wanted to see me about. The letter was written from his private house. When I went to see him he wanted me to resign my commission because I had made a speech in Parliament. I pointed out the conditions of the law, that I was not responsible for the law, and that I was merely discharging the powers that the votes of the people had conferred on me. There was further correspondence on the matter. I wished to be clear from any suspicion of wrong-doing, and so I sent all the correspondence to the then Acting Minister for Defence, Sir William Lyne, together with a letter, which included this request—

The question is one which I consider I should be justified in bringing before the President of the Senate, but, prior to taking any other action, I have decided to refer the matter for your consideration and the advice which, I trust, you will, in the public interest and for my own well-being, be so kind as to afford me.

I did not receive any reply from the Minister, so I sent copies of the entire correspondence to the President of the Senate. I did not go near the President. I uttered no word of any kind to him, beyond sending the letter, a copy of which is here, and which the Committee will have before it. I received this reply from the President—

As a senator you have an undoubted right to take part in discussions upon all public matters, including Defence. No body, authority, or person, except the Senate, has any right to call you to task. It is part of our Constitution—that “the freedom of speech and debate, or proceedings in Parliament, ought not to be impeached or questioned in any Court or place out of Parliament.”

That opinion of the President I forwarded to the Minister. What he did with it I do not know. I conclude that Major-General Hutton had it communicated to him. At any rate, I heard no more of the matter, and everything passed along comfortably for about a year. On the 23rd December,

1903, the matter arose again under these circumstances. I did no more than draw the attention of the then Minister for Defence—the present Attorney-General—in a few words, which occupied less than a column of *Hansard*—

Senator DRAKE.—I do not think I held that office then.

Senator Lt.-Col. NEILD.—I fancy that the honorable and learned senator did. I said on that occasion that there was dissatisfaction and discontent in the partially-paid regiments of New South Wales—a branch of the service with which I have no connexion; and I urged that attention should be given to the matter. I am rather inclined to think that I was so extravagant in my phraseology as to suggest that unless something was done it would be quite conceivable that my honorable and learned friend would find himself at the head of a phantom army. I was at once in receipt of a letter from a staff officer. I do not know in what capacity he wrote. He said he was writing on behalf of the General Officer Commanding; but some of the letters were signed without any designation of military rank. But it is quite sufficient that one of the letters, the one to which I took the strongest exception, contained not only this Lt.-Col.'s signature, but Major-General Hutton's initials, proving that the document was one that he issued. In that letter there is this statement—

The G.O.C. desires me to remark that he is unable to dissociate you as a commanding officer from the responsibilities attaching to that position, whether in your capacity as a senator or otherwise.

Those words, I submit, have no other meaning but that the General Officer Commanding claims the right, because I hold a commission in the Defence Force, to rule me in this Chamber, as well as on the parade ground.

Senator HIGGS.—The honorable senator is one of his employers.

Senator Lt.-Col. NEILD.—That is a matter which I hope the Select Committee will consider, but which I am not going to discuss here.

Senator GUTHRIE.—It appears that the honorable senator must always be a soldier.

Senator Lt.-Col. NEILD.—I am not a soldier when I come into this Chamber. The President will bear me out in the contention that, in this Chamber, I can be under no control of any superior military authority, because I am here in a higher

capacity. I obey in the proper place. I am respectful here, but I am under no military obligation here, because military duty does not enter within the walls of this Chamber. The letter goes on to say—

The G.O.C. is not concerned with your duties as a Senator,—

Possibly not, but if I were to move the elimination from the Estimates of £1,700 a year travelling expenses, some concern might arise. I ask attention to the following statement of my duty as a soldier, and imagination of my duty as a senator:—

but suggests that if your duty as a commanding officer conflicts with what you conceive to be your duty as a senator, it would be advisable for you to apply to be placed on the unattached list.

Senator GUTHRIE.—Unattached senator or soldier?

Senator Lt.-Col. NEILD.—Unattached soldier. This is a matter which requires to be dealt with seriously, because it is not a question either of Major-General Hutton or Senator Neild. The question involved is the protection of the interests of every member of the Federal Parliament, and I wish to deal with the subject from that standpoint alone.

Senator DAWSON.—What is to become of the citizen soldiery unless that is conceded?

Senator Lt.-Col. NEILD.—That is a matter in which I am interested, but which I cannot discuss at this stage, because I do not think it comes within the question of privilege. I may say that I at once sent the whole of the correspondence, to which I have referred, to the present Minister for Defence, but recognising that this, as a constitutional question, was one which far transcended the importance of the Defence Department, I also sent copies of the whole of the correspondence to the Prime Minister. I did so out of no disrespect whatever to the Minister in charge of the Defence Department, but for the reason, as I have said, that I consider it was less a military than a constitutional question. I feel sure that honorable senators will bear me out that it is not a question of military discipline, but a question of the protection of our rights of free speech in this Chamber. I received letters in reply from both Ministers. It is not necessary that I should say anything concerning the letter which I received from the Prime Minister, except that it certainly was in accord with the official reply I received from the Minister in charge of the Department, and

which I will read to the Senate. The Minister writes—

I have the honour to acknowledge the receipt of your letter of 10th inst., forwarding copies of certain communications which have passed between yourself and Lt.-Col. Bridges, writing on behalf of the G.O.C., on the subject of certain statements made by you in your place in the Senate, and to inform you that, after consideration of same, the communications referred to appear to me to be capable of a construction with which I am unable to concur, and that I propose to so inform the G.O.C.

Nothing could be more clear than that. There is a candid admission that there was justification for the statement I had submitted, namely, that I felt the communications addressed to me amounted to intimidation of me in the discharge of my duty here, through the medium of my honorary commission. I do not use the word "honorary" in the sense in which it is used in the Military Department as temporary, or as an off-side appointment, but in the sense that it is honorary in the matter of emolument.

Senator DAWSON.—They woke up the wrong man.

Senator Lt.-Col. NEILD.—I take it that the reply I have read is an emphatic declaration of opinion by the Minister very courteously and very prudently worded. I was struck by the admirable way in which, in this reply, an awkward question was dealt with, because I recognise that it is not pleasant for an officer of the State, whether civil or military, to be rapped over the knuckles by a Minister, as the reply I have read clearly shows was done in this case. That terminated the correspondence, and I heard no more of the matter. I presume I am not wrong in imagining that the matter, as a serious one, should receive some general consideration. It was certainly known to the Prime Minister, and I felt that to a certain extent the communication from the Minister for Defence, which I have read, represented not only the decision of the Minister in charge of the Department, but at least that of the Prime Minister in agreement with him. I thought that the General Officer Commanding would surely see the propriety of obeying the orders of the civil authority superior to himself, and I never dreamt that the question would arise again. I may say that in connexion with the present incident, I have not received a single communication, either as a senator or as a commanding officer—I

have received no intimation in any shape or way, not one letter, one line, or one verbal communication, to indicate what has been done behind my back. I have received no communication from the military authorities charging me with what I have found since the Senate last met has been charged against me in writing, that I should be dismissed from the Defence Force because I made a speech here.

Senator DOBSON.—Is that the sole ground?

Senator Lt.-Col. NEILD.—That is the sole ground I bring before the Senate. Anything else there may be I cannot discuss, and I have no desire to discuss. I take it that the Senate has nothing whatever to do with any question that has relation to military discipline or military usage. As Senator Dobson has raised the question, I think I am justified in saying that I hold in my hand a general order, dated last Friday, and issued for the appointment of a Court of Inquiry in connexion with the regiment I have the honour to command. I think I am justified in bringing this forward, and asking the consideration of the Senate upon it. This general order is framed in an unmilitary and unprecedented manner, and contains a mis-statement of facts of so gross a character that I can hardly restrain myself from using very strong words about it. This has clearly been done most designedly to injure me before the people, who trust me and whose servant I am. I have been a Lieutenant-Colonel commanding a regiment for over eight years, and there are only three regimental commanders in New South Wales who are my seniors, and yet I am able to say that in my knowledge such a document has never been issued before. When the appointment of a board is ordered to make an inquiry into any matter, it is invariably put forward in general orders, in the statement of the constitution of the court, that the court will inquire into such matters as will be brought before it. I may say that at the present time such an order has been promulgated in connexion with another matter in New South Wales, but in the case of the general order to which I refer my name blazons forth in it three times, and it contains what I characterize as a wilful mis-statement of fact, inasmuch as I am described as "late commanding officer" of the regiment. I have my parchment here, and produce it. This is my commission, and it has never been touched, and so far from there being

any warrant for the statement in the order that I am not the commanding officer of the regiment, the Minister in his communication to the General Officer Commanding, in reply to his recommendation that I should be discharged, or put on the retired list, which is very much the same thing, distinctly and positively refuses to interfere with my commission. I have no personal grievance against anybody. The General Officer Commanding cannot touch me, except as an officer, for my acts here or elsewhere, and only through the civil power. Therefore, as the civil power has protected me, I have no complaint of a personal character to make. I am making none, but I am making this complaint, that a high officer of the State, and a servant of this Parliament, has attempted to outrage the privileges of Parliament by intimidating and seeking to assail one of its members for his speeches here, and for his action simply and solely as a member of the Senate.

Senator FRASER. — But the senator is heard and the other officer is not, that is the trouble.

Senator MCGREGOR.—And the honorable senator asks for a Select Committee that the other officer may be heard.

Senator Lt.-Col. NEILD. — Senator Fraser has not heard my motion, which is simply for a Select Committee to inquire whether what I complain of occurred. I do not know that I shall take any action on the report of the Select Committee, however favorable it may be, and must be, to myself. I merely ask that the matter may be looked into, in order that members of the Senate may not be subject to assault by the head of any Department to whom they are to a certain extent under obligations. I may be permitted to reiterate what I said in the earlier part of my speech. If an officer commanding the Defence Force can attack a member of the Senate because of a speech made in this Chamber—

Senator FRASER.—If he has broken some of his regulations.

Senator Lt.-Col. NEILD. — Senator Fraser will pardon me. This is not a question affecting military regulations at all. It is a question involving the protection of individual members of the Senate, and of the Senate itself, against outside influence. The Chief Justice of the High Court could interfere just as effectively against any member of the legal profession sitting in Parliament if he advocated law reform.

Senator GUTHRIE.—That is not possible.

Senator Lt.-Col. NEILD. — Senator Guthrie says that that is not possible; but a legal member, in such circumstances, might very soon find out that it was possible.

Senator GUTHRIE.—It is not possible for a lawyer to advocate law reform.

Senator Lt.-Col. NEILD.—If that is what the honorable senator meant, I shall not offer an opinion on the subject; but I may say that I was reading only to-day, and, I think, in a Melbourne paper, an article on law reform, in which reference was made to some very strong speeches delivered in the Legislature of New South Wales by two K.C.'s, Mr. Want and Mr. Reid, though I admit they may not have been K.C.'s at the time. They made strong speeches against the manner in which business was conducted in the law courts. Leaving that on one side, I am justified in saying that no one has ever heard of a Field-Marshal commanding the Imperial Military Forces, or an Admiral commanding the Royal Navy, ever having attempted to tamper with the commission of any man who sat in the House of Commons because of the manner in which he discharged his duties in that place. Such a thing was never dreamt of, and there is no officer in England sufficiently high placed to hold his authority for twenty-four hours who would attempt such a thing.

Senator GIVENS.—Beresford left the Navy in order that he might be free to criticise.

Senator Lt.-Col. NEILD.—The honorable senator is making a mistake. Lord Beresford's great speech on naval matters was delivered, not in the House of Commons, but in the London Chamber of Commerce, and while he held rank as an Admiral in the Naval service of Great Britain. I am not submitting that as an instance in point, because with the greatest deference for so eminent an authority as Lord Beresford, I am of opinion that that very distinguished man gave to the public secret information which nothing but the very highest sense of duty could have warranted him in disclosing. His action must have been so regarded, or he would undoubtedly have been cashiered, because he disclosed secrets of naval equipment. In order that honorable senators may see exactly what is the question at issue, I quote the following resolution of the House of Commons of the 12th of April, 1733, which, under the Constitution, is the law which governs us here:—

That menacing any member of this House upon the account of his behaviour in Parliament is an

high infringement of the privileges of this House, a most outrageous and dangerous violation of the rights of Parliament, and an high crime and misdemeanor.

The President will bear me out when I say that that is as much a law governing and protecting this Chamber, its Committees, and members, as it is a law governing the House of Commons. I do not desire to say anything further, because I think the committee I ask for will be appointed. I draw attention to the fact that I have refrained from bringing this matter before the Senate, though it has twice arisen before the present time. The difficulty arose in 1902, and again in 1903. It has now arisen again, and in a form which shows me that neither the careful decision of the President and the Senate, nor yet the decision of the Minister for Defence, or the Cabinet, suffice to restrain the high State official concerned from pursuing the same course of attack on a member of the Senate. I may be at the present time the only officer in active work sitting in this Chamber, but the next election may bring in half-a-dozen military officers on the active list. There are officers on the active list in another place, and they are all liable to the same sort of attack if, as representatives of the people, they draw attention to shortcomings in connexion with the Defence Department. To show the desire there is to trample on the rights of Parliament, I draw attention to the existence in the regulations circulated only last week of a provision to enable officers in the Defence Force to be seconded, which means to be put on the shelf if they enter the Federal Parliament. I feel that I have said enough, and have submitted a sufficiently strong case to warrant me in asking for a Select Committee to inquire into the matters to which I have referred. If I am wrong I have to take all the serious responsibilities of asking the Senate to inquire into that which I affirm is absolutely true. If it is not true, then I shall have placed myself in a position of such ignominy that I do not see how I could sit here an hour. I may say that if the committee obtain positive proof that such a recommendation as I have alleged was made and vetoed by the Minister, there will be no occasion for any further proceeding as to my presence at the meeting of the Senate. It seemed to me that it would be useful for one who has a complete knowledge of the facts to assist the committee in elucidating them with greater celerity than could otherwise be done. If it were not so I should be quite willing

to stay away and say — "There are the papers." A few words as to my being prevented from exercising and enjoying my office of Lieutenant-Colonel commanding a regiment. I would point out that there is a difference between a Lieutenant-Colonel in the ordinary sense and a Lieutenant-Colonel commanding. The former holds a commission, and may be allotted any duties within the sphere of his rank, while the latter has a commission to command a regiment. I am not only a Lieutenant-Colonel by rank, but I hold a specific office—at least, that is my view—and for some weeks past I have been prevented from fulfilling the duties of that office in a manner so absolutely singular that, whilst I should like to offer an explanation, I prefer not to mention here a matter of military procedure. I suppose that the committee would necessarily have to inquire whether I have been prevented from the enjoyment of my office, and that I should have to give evidence on the point. I have the papers here to prove my statement most conclusively. All I will say is that the transaction has been of so peculiar a character that it has never been placed in print, or orders, military or otherwise. While I have been prevented from enjoying my office, no one knows by what process that has come about; and, as a public man, I have been subjected to insult in a certain section of the press because I have not done certain military duties which I have been secretly prevented from doing. I shall stand by that statement here or elsewhere. Some dastardly creatures have even carried military malice so far as to insult my wife through the press, because I did not attend to military duties which I had been singularly prevented from discharging. I think that when that stage has been reached it is about time—and this is the only warm word I shall use—that there was an inquiry to see whether this sort of thing is going to be tolerated in a country that professes a desire to defend itself from foreign aggression by the hands of its citizen soldiers.

Senator DAWSON (Queensland).—I have very much pleasure indeed in seconding the motion of Senator Neild, who, I think, has made a full, clear, and very convincing statement. Apparently the treatment which he has received from the General Officer Commanding is of so serious and grave a character that the least the Senate can do is to agree to the request for an inquiry into all the circumstances of the case. It is to be sincerely hoped that the

proposed committee will be appointed without a dissentient voice. It is about time that a clear line of demarcation was drawn between the rights of the General Officer Commanding and a civilian's rights. If we do not take a decided stand on this matter we are liable to land ourselves in a somewhat peculiar position. I could imagine a situation of this description to occur: that Senator Neild is, as a Lieutenant-Colonel, under Major-General Hutton in the Military Force, and is ordered by that officer to hold his tongue as a senator, and told that if he refuses to obey he will be fired out.

Senator FRASER. — That would be an improper order to give.

Senator DAWSON.—According to Senator Neild that is precisely the order which the General Officer Commanding has given.

Senator Lt.-Col. NEILD. — Hear, hear; that is the order.

Senator DAWSON.—Suppose that Senator Neild were the Minister for Defence, and ordered the General Officer Commanding to leave the country, what kind of a complication should we be in? Should Senator Neild, as Minister for Defence, and also as the Lieutenant-Colonel commanding a regiment, obey Major-General Hutton, or should Major-General Hutton, as General Officer Commanding, obey Senator Neild, because he was the Minister for Defence? I think that the members of the Select Committee ought to be asked to report on the point, whether an officer should not resign his commission as a member of the Defence Force when he becomes a senator. In view of the present complication I am inclined to think that it would be very much better for an officer who wishes to be attached to the Defence Force to keep out of the Senate.

Senator PLAYFORD (South Australia—Vice-President of the Executive Council).—I have no special knowledge of the subject which Senator Neild has brought before the Senate. So far as I can see, no matter what the General Officer Commanding may have said or thought regarding his action in making the remarks to which apparently objection is taken, it has had no weight with the Minister for Defence.

Senator BEST.—But Senator Neild tells us that he has been deprived of his command.

Senator PLAYFORD.—Oh, no! I am informed that the Minister has refused to entertain any complaint with regard to the remarks of Senator Neild in the

Senate. I believe that Major-General Hutton has been informed that it is a matter which he has no right to take into his consideration.

Senator Lt.-Col. NEILD.—But he does it, despite the Government.

Senator PLAYFORD.—At all events, the honorable senator has not been injured in his status. The statements made by Major-General Hutton in that respect have, so far as the Ministry are concerned, gone in at one ear and come out at the other. We know the position which ought to be occupied by honorable senators who are in the Military Forces. If they choose to rise in their places and to criticise anything which the military authorities have done, they have a perfect right to do so without fear of any consequences accruing to themselves.

Senator Lt.-Col. NEILD.—Why do not the Government protect me?

Senator PLAYFORD.—I understand that the Minister for Defence has protected the honorable senator.

Senator Lt.-Col. NEILD.—Up to a point.

Senator PLAYFORD.—The Minister has refused to take the slightest notice of any statements regarding the honorable senator's speech in Parliament; but other charges have been made, which are to be the subject of a court of inquiry. The Minister has fully recognised that a member of Parliament has a free right to criticise military affairs as much as he likes without fear of suffering any injurious consequences. We have protected the honorable senator from any ill consequences arising from the position taken up by Major-General Hutton as commanding the Military Forces. I am not in a position to say anything more on this subject at the present time. We are approaching a crisis, as honorable senators know, and before I say whether I shall oppose the motion or not I should like to become more fully acquainted with the facts than I am. Perhaps a new Minister may be in a position to get information and to acquaint the Senate with the facts. I have no doubt that the statement of Senator Neild is absolutely accurate, but he will admit that it is *ex parte*. An opportunity should be given the Senate to hear the statement of the other side before it agrees to this motion. We admit the principle laid down by the honorable senator to the fullest degree.

We have protected him from any injurious effects on the part of the General Officer Commanding.

Senator Lt.-Col. NEILD.—The honorable gentleman is wrong.

Senator PLAYFORD.—If I had an opportunity of ascertaining all the facts of the case I should be in a better position to speak with authority on the subject. May I suggest that no harm could arise if an honorable senator would move the adjournment of the debate?

Senator Lt.-Col. NEILD.—I object to that.

Senator PLAYFORD.—In view of the special circumstances of this case, and of the position in which we are placed, I think that the debate might be adjourned. I never heard a word about the honorable senator's intention to move this motion this afternoon until a minute or two before we met. I had no opportunity of consulting the Minister on the subject, and therefore I think that the Senate, before deciding to appoint a Select Committee, which would only cause expense and trouble, should hear what can be said on the other side of the question.

Senator HIGGS.—In the meantime they can blacken Senator Neild's character.

Senator MCGREGOR (South Australia).—Although I agree entirely with Senator Neild and his motion, still I think that the Vice-President of the Executive Council has made out a very fair case for delay. The position of Senator Neild has been put clearly and ably, and Senator Playford has confessed that he has no information on the other side. It would be a wise thing before we took the extreme step of appointing a Select Committee to hear a more definite statement from the Minister for Defence or the Defence Department. Senator Neild has been a little premature in submitting this motion at this stage. It would have been far better, in his own and in the public interest, if he had waited until he had been injured. He has shown us his commission; he has not been put out of the force yet—

Senator Lt.-Col. NEILD.—I think that the honorable senator did not hear the whole of my speech.

Senator MCGREGOR.—I heard almost every word of the speech. I sincerely sympathize with the honorable senator, but I cannot see that he has suffered to any appreciable extent.

Senator BEST.—He says that he has been secretly prevented from discharging his duty.

Senator MCGREGOR.—That is according to the information which Senator Neild laid before us to-day. But we wish to hear the opinion of those who are accused of secretly doing these things before we agree to the motion. We understand that a Board has been appointed to inquire into other charges, and I think that Senator Neild would be consulting his own interests if he were to wait until it had made a report. Then he would have a just case, That Court is not a Parliamentary Commission. It is an independent Court of some kind, having nothing to do with us. If that Court is conducted unfairly, or anything is done that is prejudicial to the privileges of Senator Neild, we should have power, not only to deal with those who have acted unfairly towards the honorable senator up to the present time, but with the report of the Court. There is another point in connexion with the motion which leads me to think that it would not be wise to adopt it. The latter paragraph states that Senator Neild is to be allowed to attend the meetings of the Committee and to examine witnesses. Is that in accordance with general usage? Though my experience may not be so great as that of Senator Neild, I always understood that the members of such a Committee had to put the questions and do all the work in connexion with an inquiry. Of course, the honorable senator could be there. Major-General Hutton could also be there. But to allow either Major-General Hutton or Senator Neild to ask the witnesses questions would be tantamount to making them members of the Committee. For Senator Neild to ask, practically, to be made a member of the Committee, and not to allow some officer of the Defence Department to have the same privilege, would be unfair. Therefore, I dissent from that part of the motion.

Senator Lt.-Col. NEILD.—I am not particular about it.

Senator MCGREGOR.—I honestly believe that Senator Neild wishes to have a fair and impartial inquiry. He wants fair play, and nothing more. I believe that the Senate is prepared to give it to him. But we should not be too hasty. We should first hear a more definite statement from the Government. Then, if we thought it necessary, we could appoint a Committee. I have not the least doubt that, in that case, Senator Neild's position would be vindicated. I trust that the Senate will agree to an adjournment of the debate, but that the Committee

will ultimately be appointed. I do not think it shows good taste on the part of Senator Neild to try to hurry the matter, though I do not believe that he would willingly do anything that flavoured of bad taste. Therefore, I hope that some honorable senator will move the adjournment of the debate, and that when we meet again the representative of the Government will be prepared with a more definite statement.

The PRESIDENT.—As this is a question which involves the privileges of the Senate, I think I ought to exercise my right to speak. The allegation made by Senator Neild is not that he has been injured—or, at all events, injured to a very great extent—but that he has been intimidated by some outside authority in consequence of speeches made in the Senate. That is a very grave accusation, and if it be correct the Senate ought to take action in the matter. We none of us know what a course of procedure such as this, if left unchallenged, or undealt with by the Senate, may lead to. What is Senator Neild's position to-day may be the position of any one of us in times hereafter—not necessarily as an officer of the Defence Forces, but in connexion with some other Department, when we may come under the control of a Minister or Government officer. I wish to call the attention of the Senate to the very grave jealousy which the House of Commons has always shown in reference to any intimidation towards any of its members in consequence of anything said in the House. I will go back a long way, and will show how early this privilege was asserted—a privilege which has grown and been strengthened as time has gone on. In Hatsell's *Precedents and Proceedings in the House of Commons*, a very old book, written a long time before *May* was published, there is a report of a Committee concerning freedom of speech. It is dated as early as June, 1604. In consequence of that report a petition was presented to the King, or to the Queen; at the moment I am not quite sure which. The report does not stand by itself, because in an appendix are given forty-five cases in which the House of Commons resented any interference with its privileges. But I give this as an example of the position that the House of Commons took up. The report is very long, and I do not propose to read it entirely; but I will read some extracts from it. The Committee first of all assert—

That our Privileges and Liberties are our Right and due Inheritance, no less than our very Lands and Goods.

They go on to say—

The Freedom of our Speech (has been) prejudiced by often reproofs.

They do not allege that any injury has happened to them, but they object to reproofs, even when given by the King, to members of the House of Commons for speeches made in the House of Commons. And if the King is not allowed to give reproofs, surely an inferior officer under the King ought not to be permitted to do it. The Committee go on to say—

That in Parliament they may speak freely their Consciences without check and controlment, doing the same with due Reverence to the Sovereign Court of Parliament; that is to Your Majesty and both the Houses, who all in this case make but one Politick Body, whereof Your Highness is the Head.

Thus as far back as 1604 the House of Commons laid down their privileges in respect of freedom of speech. Hundreds of times that freedom has been enunciated in the House of Commons, and now it is accepted as beyond dispute that no outside power or authority has the right even to reprove a member for a speech which he has delivered in Parliament. I do not think it necessary for us to wait until any injury has been done. The very fact that the speech of Senator Neild has been called in question justifies our interference; and in this case the motion of Senator Neild is simply for an inquiry. How are we to hear the other side? There are two methods. Sometimes one and sometimes the other is adopted in the House of Commons. Sometimes the person accused is brought before the bar to answer the allegations against him, and sometimes a Committee is appointed to inquire into them. I think it is better to have a Committee. It is far preferable that a Committee should be appointed to inquire into the special matter alleged by Senator Neild than to call Major-General Hutton to the bar of the Senate. That is all that is asked for, and I think that course ought to be adopted. I feel that this is a question about which we cannot be too careful. This is the first occasion which has arisen in this Senate, and under our new Constitution, in which freedom of speech has been challenged, and we ought to take action to safeguard our privileges and to see that they are not frittered away. Because undoubtedly if in any particular case—especially in a case which is brought prominently before the notice of the Senate—no action is taken to vindicate the privileges

of the Senate, there will be a tendency for them to be frittered away and to disappear. I express no opinion as to whether it is wise or not to adjourn the debate. That is a subsidiary matter. But I do think that we ought to take notice of the matter that has been brought before us by Senator Neild, and to vindicate our privileges and our position.

Senator HIGGS (Queensland).—I feel, with Senator McGregor, that the latter portion of the motion submitted by Senator Neild is to be regretted. I allude to the paragraph with reference to his being allowed to call witnesses. I intend to move that it be struck out.

Senator Lt.-Col. NEILD.—Perhaps the honorable senator will allow me to ask for leave to withdraw that paragraph.

Senator HIGGS.—Certainly.

Motion, by leave, amended accordingly.

Senator HIGGS.—I believe that an injustice will be done to Senator Neild unless action is taken. Senator Playford now recognises—as he did not recognise an hour ago—that a crisis is impending. If that crisis results in the resignation of the Government, I suppose that the gentleman sent for by the Governor-General will require some time in which to form a Ministry and to prepare his policy. Possibly the Senate may not meet again for a fortnight, and in the meantime a Military Board appointed by Major-General Hutton is to consider certain charges concerning alleged irregularities against Senator Neild.

Senator MCGREGOR.—I will withdraw my opposition; they might sentence him to be shot.

Senator HIGGS.—They might at any rate prejudice Senator Neild in some way. I do not say that what they do will have that effect, but the case put before the Senate is too clear for us to ignore it in any way. Major-General Hutton has already cast a reflection on the Senate. He writes in a disparaging fashion in the letter which has been quoted, "I have no concern whatever with your duties as a senator." In effect he says: "But you had no right to make a speech in the Senate concerning this regiment without coming to me. I am now ready to receive you; I shall be at home at any time when you chose to call." Senator Neild is here as a representative of the people of the Commonwealth.

Senator FRASER.—Should he not be careful not to overstep the bounds of prudence? I imagine that he should.

Senator HIGGS.—I am not aware that he has done so.

Senator FRASER.—Let us wait until we hear the other side.

Senator HIGGS.—Senator Neild is asking for a Select Committee. That will enable us to hear the other side. I see no reason why we should hang up the matter for a fortnight. The very terms of our standing order regarding a question of privilege indicate that such questions should be decided immediately. I do not think it will be contended that any reason has been given why the matter should be adjourned. Senator Playford could not know any more about this question than he has learned from the speech of Senator Neild, if there were an adjournment.

Senator MULCAHY (Tasmania).—Unfortunately for Senator Neild, there is what is called a crisis pending. I regret that I have not heard what the circumstances of the case are. But if the Minister for Defence had been a member of the Senate, and after hearing Senator Neild's complaint, had asked for an adjournment, in order to make inquiries, in courtesy to him, that request would have been granted. I do not think we have any right to take into consideration what is impending in another place. Senator Neild has brought forward something in connexion with the Military Forces.

Senator Lt.-Col. NEILD.—I have not said a word about military matters.

Senator MULCAHY.—I know without having heard the speech that the complaint has reference to matters associated with the Defence Force. I do not think we shall deny the honorable senator the inquiry which he has asked for. But there may be another side. After we hear the other side we may agree that there is no necessity to appoint a Committee. The request of the Vice-President of the Executive Council is a perfectly fair one, and should be granted. Senator Neild's privileges are the privileges of every member of the Senate, and must be defended by every member. But it is for him to put before the Senate a *prima facie* case.

Senator Lt.-Col. NEILD.—That has been done. Why was not the honorable senator in his place?

Senator MULCAHY.—For a much better reason than Senator Neild can give when he is so frequently absent. I was out of the Chamber for a public reason. I was being interviewed by a number of gentlemen connected with the mercantile marine, in

reference to the Navigation Bill. With all deference to the opinion which you, Mr. President, have expressed—although you said that you did not express any opinion—I desire to say that from my experience as a Minister I know how difficult it is to answer a charge which is suddenly made. Although a Minister is supposed to be officially acquainted with all that takes place, he may personally have no knowledge of matters which are brought forward. Therefore the request made by the Vice-President of the Executive Council should receive consideration.

Senator GRAY (New South Wales).—I feel sure that every honorable senator who heard Senator Neild can come to no other conclusion than that he has made out a *prima facie* case. After hearing the learned remarks of the President, showing the value that should be attached to freedom of speech, it appears to me that, particularly at the initiation of this Commonwealth, the rights of the representatives of the people should be carefully safeguarded in order to prevent the forming of a precedent of a very serious nature. The Committee which Senator Neild asks for is not only due to him, but is equally due to Major-General Hutton.

Senator Lt.-Col. NEILD.—And to the Senate.

Senator GRAY.—I have already said that it is due to the Senate as representing the people. The matter has gone beyond the limits of the Senate. It has been taken up by the public press, and as Senator Neild has stated, he has been to some extent prejudiced by statements which have not the authority of facts.

Senator MCGREGOR.—We should have the press before the bar.

Senator GRAY.—Perhaps in the past Senator McGregor may sometimes have felt the sting of the press when injustice has been done to him, and has thought that his character might require, I will not say whitewashing, but clearing.

Senator MCGREGOR.—The press has sometimes said that I had no character.

Senator GRAY.—Senator Neild does not ask for this Committee for himself, or to clear Major-General Hutton. He asks for it in the general public interests, and it is on that ground that I shall vote for the motion.

Senator HENDERSON (Western Australia).—Having listened carefully to the statements made by the honorable senator,

and also to the request of the Vice-President of the Executive Council, I must candidly confess that I am more strongly than ever of opinion that this matter should be brought to an issue at the earliest possible moment. It is quite evident from the correspondence from which quotations have been read, that the honorable senator has no complaint to make against the Government. He has clearly shown that his only complaint is against the attitude adopted by Major-General Hutton. He is satisfied with the action of the Prime Minister and of the Minister for Defence, and it is therefore clear that nothing that the Vice-President of the Executive Council can add will further elucidate the matter. That being the case, as the President has pointed out, there are two methods by which all the information we require can be obtained. We can bring the Military Commandant before the bar of the Senate—and he would probably come with a Maxim gun—or we can adopt the motion for the appointment of a Select Committee, and have the facts placed clearly before that committee. The matter is one in which every honorable senator is interested, and with which we are all conversant, inasmuch as it has occupied the columns of the public press for some time past. It should be dealt with in such a manner as to give the fullest satisfaction to all the parties implicated, and I favour the motion being carried into effect as speedily as possible.

Senator O'KEEFE (Tasmania).—Senator Mulcahy, in supporting the request of the Vice-President of the Executive Council for delay, gave as his reason that we are not supposed to know anything officially of the crisis impending in another place. That is so, but as a matter of fact we do know of it, and we have every reason to believe that if the crisis arises within the next twenty-four hours the Senate is not likely to meet again for some weeks. In the meantime a cloud would be hanging over Senator Neild. I am not one of those who would arrive at a hasty conclusion, but, in common with other members of the Senate, and members in another place, I have read with great interest the statements upon this matter which have appeared in the press, expecting that the subject would be brought before the attention of the Senate. In view of the case submitted by Senator Neild, we shall be doing only bare justice to the honorable senator if we grant the Select Committee asked for, and we shall be doing no

injustice whatever to the General Officer Commanding the Military Forces of Australia. As a matter of fact, by agreeing to the appointment of a Select Committee we shall place that officer in a far more satisfactory position, because we shall give him an opportunity to clear himself from the charges made against him by Senator Neild. We have nothing whatever to do with anything outside the aspect of the question raised by Senator Neild, namely, that his privileges as a member of the Senate have been interfered with by intimidation on the part of the General Officer Commanding. All other matters between Senator Neild and the General Officer Commanding are not the concern of the Senate. In order that there may be a thorough and impartial inquiry, which will do justice to both parties, we are called upon to agree to the motion moved by Senator Neild, and in view of the peculiar circumstances of the present political position, we cannot consent to the Vice-President's request for delay in the appointment of the committee.

Senator STYLES (Victoria).—I have not heard any honorable senator object to the appointment of a Select Committee; and even the Vice-President of the Executive Council does not object to it. In my opinion Senator Neild has made out a very good case. Even those who are in favour of an adjournment of the debate admit that a Select Committee should be appointed. If that be so, why not appoint the committee at once? During the adjournment involved in the change of Government the Select Committee can deal with the matter to be referred to them, and can bring up their report. I shall support the motion, and I hope the committee will be appointed at once. What is the use of putting it off?

Senator FRASER (Victoria).—I have listened very patiently to the speeches which have been delivered, but I have not changed my mind upon the matter. I think that the request of the Vice-President of the Executive Council should be acceded to. We have heard a statement, which may be true; but we ought also to hear the other side. Why this undue haste?

Senator O'KEEFE.—Because there is a special reason for it.

Senator FRASER.—There is no special reason. Senator Neild has escaped with his life. He looks very hearty, and he will not suffer by a little delay.

Senator O'KEEFE.—He says he will.

Senator FRASER.—We know that is not the case.

Senator MCGREGOR.—They may lay a bait for him.

Senator FRASER.—We should not hurriedly do something which we may regret. There can be no harm in a few days' delay. We have not heard the statement of the Minister for Defence. I am as anxious as any one can be that the privileges of members of Parliament shall be preserved, and they can be preserved all the more carefully if we do not hastily come to a conclusion. There is no necessity to appoint this Select Committee right off the reel. The Board of Inquiry to which reference has been made may bring in a report adverse to Senator Neild, and there will then be good reason why the Select Committee, if appointed, should inquire into that matter also. When the representatives of the Ministry have asked for an adjournment of the debate, surely honorable senators are not prepared to give the Government a slap in the face by refusing it.

Senator Lt.-Col. NEILD.—The Government have nothing to do with the case.

Senator FRASER.—They have asked for an adjournment, and we should hear the Ministry.

Senator Lt.-Col. NEILD.—There is no charge against the Ministry.

Senator FRASER.—The representatives of the Ministry can defend the Government on the floor of this Chamber, but the absent man cannot defend himself. He has not our privileges, and honorable senators should treat an absent man as they would treat each other. He is entitled to fair play.

Senator O'KEEFE.—He will get it before the Select Committee.

Senator FRASER.—Then I ask honorable senators not to unduly rush the matter, as if they were in a hurry to take an advantage. The action they propose has that appearance. Far be it from me to charge honorable senators with anything of the kind, but I am arguing that there may be two sides to the question.

Senator O'KEEFE.—The Select Committee will listen to the other side.

Senator FRASER.—I hope that honorable senators will agree to the request of the Vice-President of the Executive Council, and let the Minister for Defence be heard before the Select Committee is appointed.

Senator BEST (Victoria).—Senator Fraser completely misconceives the whole

position. An honorable senator says that he has been intimidated in connexion with something that has been said by him in the discharge of his duty as a senator. He certainly does make out a *prima facie* case for the appointment of a Select Committee, and that is all that the Senate can ask for or desire. There appears to be a unanimous feeling in the Senate that the statements made by Senator Neild justify the appointment of a Select Committee. There is not one honorable senator who has dissented from that view. It is now suggested that there should be an adjournment. What is the object of the adjournment? It is a most unreasonable thing to say that any injustice will be done to a person who is not present. It has been said that only one side has been heard, but that has nothing to do with the question, because the very object in appointing the Select Committee is to hear the other side. What is sought is the constitution of a judicial tribunal of the Senate to inquire into certain charges that have been made.

Senator MULCAHY.—If the case appears to be one which should be referred to a Select Committee?

Senator BEST.—If I thought for a moment that any injustice could possibly be done to any one by the adoption of the course proposed, I should support the view taken by Senator Fraser; but I submit that that honorable senator has misconceived the position. Certain charges having been made, the sooner they are investigated the better.

Senator FRASER.—The Minister has not replied to them.

Senator BEST.—My honorable friend must see that what the Minister has to say is totally immaterial, because the Minister is not charged with doing any wrong.

Senator MULCAHY.—His principal officer

15. Senator BEST.—That is so, and the very object of the appointment of a Select Committee is to hear what that principal officer has to say. If Senator Mulcahy suggested that the General Officer Commanding should be brought to the bar of the Senate I could understand that it would be reasonable to ask that the matter should be adjourned until he made his statement, but that is not suggested. The other alternative is adopted, and I submit that it is the most reasonable, as well as the usual course, in the circumstances. We should not have advanced the matter any further by any state-

ment which the Minister could submit to the Senate. The Select Committee can hear everything that is to be said, and all the evidence there may be in support of the charges made by Senator Neild. It will be for the officer implicated to make his statement, and if he were to submit that he should be at liberty to appear, or to be represented by counsel, I am sure that the Select Committee would accede to such a request. The utmost facility would be afforded by the committee for the production of evidence, that they might be in a position to do justice to both parties, and make such a recommendation to the Senate as they might think advisable. The Senate will then, if any attempt has been made to infringe its rights and privileges, be able to take such measures as may be necessary at the inception of the Commonwealth to establish those rights and privileges beyond all question.

Senator Lt.-Col. NEILD (New South Wales).—I rise merely to repeat what some honorable senators have evidently not heard, namely, my emphatic declaration that so far as the action taken by the Ministry in this matter is concerned it has been absolutely accurate, so far as my knowledge goes, and in my view of the case it has been entirely in accordance with proper consideration for the dignity of this Chamber and the rights of its members. For the benefit of Senator Fraser, who I am sure could not have heard the statement I made, I may say that the first attempt to intimidate me was made two years ago. I submitted the matter then to the Ministry. What action they took I do not know, but it was at least efficacious. Last year the same thing occurred again, and I again referred the matter to the Ministry. It was dealt with by the Cabinet, and I have read to the Senate the Minister's official letter setting forth his disapproval of the letters written to me by Major-General Hutton.

Senator FRASER.—But has the senator ever really been intimidated?

Senator Lt.-Col. NEILD.—Certainly I have.

Senator MCGREGOR.—No, it was only attempted; they could not do it.

Senator Lt.-Col. NEILD.—It is recognised that an attempt to commit a crime is nearly as great an offence as is the actual commission of the crime. I am not saying that what has occurred in this instance amounts to a crime, but, in the language of the resolution of the House of Commons which I have cited, it is a crime, if what

I have said be correct. To attempt to commit a crime is considered almost as grievous as the actual commission of the crime, and it is punishable by the same methods—with the exception of execution. I am of course speaking of ordinary crimes. I have no complaint against the Ministry. I say that the documents to which I have referred, if asked for by the Select Committee, will show that the Ministry have refused, for the third time, to authorize, encourage, or permit the intimidation sought. When it is suggested that there should be some postponement in order that the Ministry may not be injured in any way, I say that the Ministry have no part in the matter, except that, to the best of my knowledge and belief, they have acted in a perfectly constitutional way. With reference to the proposition that I have not received much injury, I submit that it is admitted by every honorable senator that I have received some injury.

Senator BEST.—Only a little.

Senator GIVENS. — According to the honorable senator's own statement he has received serious injury, and it has been carried on beyond himself to the members of his family.

Senator Lt.-Col. NEILD.—I do not allege that as against the Military Department. I have mentioned it merely as an incident connected with the affair. If it is alleged that any member of the Senate has received an injury, I am prepared, so long as I am a senator, not to wait until the case is proved on the floor of this Chamber before I consent to the appointment of a Select Committee to investigate the matter. On the well-known rule of Parliament that an honorable member's word must be accepted, if a member of the Senate makes statements of a character similar to those which I have made, I submit that he is entitled to an inquiry. I further submit that the course which I have taken is that which is least open to objection. Clearly, I might have submitted a motion asking that Major-General Hutton should be brought to the bar of the Chamber. Such a motion could have been considered, and, if honorable senators pleased, carried; but I took the quietest and most gentle course of asking for a committee of inquiry. A Select Committee, I am quite certain, will be appointed, not in the interests of any individual in or outside these walls, but in the interests of the dignity and the rights of the Chamber, and of each honorable

senator returned by the people to do the work of the Commonwealth. I have no doubt that the motion will be carried, and I hope it will be carried without dissent.

Question resolved in the affirmative.

A ballot having been taken,

The PRESIDENT.—I have to announce that the Select Committee will consist of Senators Dawson, Gray, Macfarlane, McGregor, Pearce, Playford, and Styles.

Senator Lt.-Col. NEILD (New South Wales).—There is nothing to prevent the Committee from reporting to the Senate as soon as the inquiry is completed, but in view of possible contingencies it might be convenient for the Senate to fix this day month for the bringing up of the report. Of course the matter might be investigated in a couple of sittings, and the report might be brought up next week, if the Senate should be sitting. But, for the reason I have given, I move—

That the Select Committee be ordered to report its proceedings to the Senate by this day month.

The PRESIDENT.—Of course the Committee can report earlier if it likes. The only object in fixing a date is that if the Committee do not report on that date they must ask leave to report on another date.

Question resolved in the affirmative.

Senate adjourned at 4.53 p.m.

House of Representatives.

Wednesday, 20 April, 1904.

Mr. SPEAKER took the chair at 2.30 p.m., and read prayers.

LEAVE OF ABSENCE.

Motion (by Mr. DEAKIN) agreed to—

That leave of absence for one month be granted to the honorable member for Adelaide on the ground of ill-health.

PAPER.

Sir GEORGE TURNER laid upon the table the following paper:—

Transfer of amounts approved by the Governor-General in Council, financial year 1903-4 (dated 18th and 19th April), under the Audit Act.

RIFLES AND SMALL ARM AMMUNITION.

Mr. PAGE asked the Minister for Defence, *upon notice*—

Whether he will furnish the House with some information regarding the supply of rifles and small arms ammunition for the defence of the Commonwealth?

Mr. CHAPMAN.—The answer to the honorable member's question is as follows—

MAGAZINE RIFLES.

We have now in the Commonwealth 5,931 magazine rifles in excess of the number required for arming the peace establishment. A further supply of 5,000 is in process of shipment, and may be expected to be delivered at an early date. With this delivery the number of magazine rifles would more than provide for the number required for the war establishment on the General Officer Commanding's organization scheme.

Action has also been taken to provide for a supply of the new short end Enfield rifle (which is an improved magazine rifle) adopted by the British War Office. The issue of this rifle is expected to commence this year; and an order has been placed with the War Office authorities for a first supply of 5,000.

It is also proposed, subject to Parliament voting the necessary funds, to provide on the Estimates for the coming financial year for a further order of these rifles.

MARTINI-ENFIELD RIFLES.

In addition to the above magazine rifles, we have in the Commonwealth over 34,000 Martini-Enfield rifles—a good serviceable weapon, firing the same ammunition as the modern rifle.

MARTINI-HENRY RIFLES.

There are also over 24,000 Martini-Henry rifles, which certainly could be made use of in the event of an emergency.

Taking into account the 5,000 magazine rifles now in process of delivery, the Commonwealth Government, since taking over the Defences, has added over 18,000 rifles to the stock of magazine rifles in the Commonwealth.

With the view of maintaining and increasing the stock of magazine rifles, a Magazine Rifle Fund has been formed; and as the rifles are sold, either to Rifle Clubs or to members of the Defence Forces, the money is paid into this fund, and a further supply is then ordered to replace them.

Arrangements have been made by which members of the Rifle Clubs can purchase magazine rifles (as far as the present stock will admit) on a deferred pay system.

A certain proportion of magazine rifles and Martini-Enfield rifles are also issued on loan to the Rifle Clubs.

SUMMARY OF RIFLES.

	In Common-wealth.	On order.
Magazine ...	26,465	10,000
Martini-Enfield ...	34,000	...
Martini-Henry ...	24,000	...
Total ...	84,465	

SMALL-ARM AMMUNITION.

With regard to the supply of ammunition for the rifles, not only has the reserve of ammunition been brought up to the peace establishment, but it has now been brought up to the war establishment, which provides for 500 rounds per rifle, in addition to the amount of the annual expenditure.

The Colonial Ammunition Factory, at Footscray, is now capable of turning out some 18,000,000 rounds per annum, and is at present actually delivering at the rate of 1,000,000 rounds per month.

The stock of cordite required for the manufacture of small-arm ammunition is maintained by the Government, and there is an ample stock to provide for more than a year's supply, as well as what is on order and in process of delivery.

I may mention that in the late Boer war, with 250,000 British troops operating, the total expenditure was only some 66,000,000 rounds of ball cartridges, spread over a period of practically three years. Our reserve is more than equal to the average expenditure for one year under these conditions.

PATENTS ACT.

Mr. JOHNSON asked the Minister for Trade and Customs, *upon notice*—

1. How many applications for patents under the provisions of section 29 of the Patents Act 1903 have been filed with Complete and Provisional Specifications respectively?

2. Will he make public the names and addresses of applicants, the titles of their inventions, and the dates of lodgment, and cause a list of same to be published once a week in each of the State capitals, seeing that such applications for patents virtually confer provisional protection throughout the Commonwealth under the provisions of section 53 and 29 of the Patents Act 1903?

3. When is the commencement of the Patents Act 1903 likely to be proclaimed?

Sir WILLIAM LYNE.—In reply to the honorable and learned member's questions—

1. Applications with Complete Specifications ...	239
Applications with Provisional Specifications ...	234
Total ...	473

2. It is not considered that it would be proper to give any publicity at present to the names, &c., of applicants.

3. It is anticipated that the Act will be proclaimed in less than three months from date.

DEPORTATION OF KANAKAS.

Mr. WILKINSON asked the Minister for External Affairs, *upon notice*—

1. Whether he is aware that numbers of time-expired Polynesian labourers are being induced to enter into new agreements with sugar planters in Queensland through being persuaded by a certain class of agents that there are no ships available for their transport to their islands?

2. Will he take steps to counteract this influence by making it known that several ships, formerly engaged in recruiting and returning Islanders, and properly fitted up for the purpose in accordance with the State regulations for such trade, are available for the transport of Islanders to their homes?

Mr. DEAKIN.—It is not known that the facts are as stated in the first question, but inquiries will be made of the Government of Queensland with regard to the matter.

RE-RIFLING OF GUNS.

Mr. PAGE asked the Minister for Defence, *upon notice*—

1. Whether it is a fact, as stated in the press, that a number of guns were sent to England to be re-modelled or re-rifled?

2. If so, how many?

3. In view of the present Government being a protectionist Government, and its policy one of protection, why was this work not done in the Commonwealth?

4. Is it the intention of the Government to have such work done in the future within the Commonwealth? If not, why not?

Mr. CHAPMAN.—The answers to the honorable member's questions are as follow:—

1 and 2. Six guns were sent for conversion to 15-pounders.

3. Because it was work of a special character, and means were not available to carry out the work here.

4. It is the intention of the Government to carry out all work wherever possible within the Commonwealth.

REMUNERATION OF ELECTORAL REGISTRARS.

Mr. JOHNSON asked the Minister for Home Affairs, *upon notice*—

1. Whether he is aware that electoral registrars in New South Wales were promised allowances for overtime for the extra work entailed upon them in the registering of names and the preparation of lists for the Federal electoral rolls for the recent elections, and that such allowances have not yet been paid?

2. Whether any overtime allowance has been paid to any such officers in any part of the Commonwealth in connexion with the recent elections?

3. In view of the arduous extra work which such officers had to perform in the carrying out of their electoral duties on the occasion, will he see that reasonable remuneration is paid to them for their overtime services?

Sir JOHN FORREST.—In reply, I beg to state—

1. I am not aware of any such promise.

2. No.

3. Yes.

GENERAL POST OFFICE, BRISBANE.

Mr. CULPIN asked the Postmaster-General, *upon notice*—

Whether he will inform the House if any improvements are being carried out in the General Post Office, Brisbane, so as to give the staff more accommodation; and, if not, will he cause inquiries to be made into the matter?

Sir PHILIP FYSH.—The answer to the honorable member's question is as follows:—

Improvements are being carried out at the General Post Office, Brisbane, in connexion with the electrical engineer's and telephone branches, which will, when completed, give more accommodation to the staff.

KALGOORLIE TO PORT AUGUSTA RAILWAY SURVEY BILL.

In Committee:

Motion (by Sir JOHN FORREST) proposed—

That it is expedient that an appropriation of moneys be made for the purposes of a Bill for an Act to authorize the survey of a route for a railway to connect Kalgoorlie in the State of Western Australia with Port Augusta in the State of South Australia.

Mr. DUGALD THOMSON (North Sydney).—I do not think that we should enter upon the consideration of this matter, even at a formal stage, in view of the discussion of another Bill which is now engaging our attention. I have no wish to in any way interfere with or retard consideration of the carrying out of the proposed survey.

Sir JOHN FORREST.—Then why do so?

Mr. DUGALD THOMSON.—Because I think that certain things are due to this House.

Sir JOHN FORREST.—Notice was given of the intention to move this motion.

Mr. DUGALD THOMSON.—Why should the consideration of this matter be allowed to intervene in the midst of an important debate, when no other business would be allowed to do so? Why should it be taken at this juncture to suit the convenience of the Ministry or of a Minister?

Sir JOHN FORREST.—The motion is merely a formal one; it will not bind the House.

Mr. DUGALD THOMSON.—The discussion of an important matter of this kind cannot at any stage be regarded as formal. The motion initiates a very large expenditure, which we should discuss at the earliest stage. I do not say whether I am or am not favorable to the proposed survey. I say that this is not the occasion on which to introduce the matter. It should be kept

back until the House is in a position to give it full discussion.

Sir JOHN FORREST.—This is not the stage for discussion.

Mr. DUGALD THOMSON.—The proposal is too important to be regarded as formal at any stage. At every stage we should act with our eyes open as to what it involves. Therefore I am sure that the right honorable gentleman would not wish to force the question on the House without that proper consideration which it ought to receive at its earliest stages. I must say that it is rather extraordinary that the Prime Minister should allow the important business of which he is in charge, and which is occupying the attention of the House, to be interfered with at the present time by such an interposition. I suggest that, instead of creating a debate, such as this motion will probably do if it be gone on with, the Minister for Home Affairs, having placed the matter on the business paper, should allow it to be brought forward at a later stage, when it can get that proper attention at its initiation which the importance of the expenditure deserves.

Sir JOHN FORREST (Swan—Minister for Home Affairs).—I am certainly very much surprised at the honorable member for North Sydney wishing to interfere in a formal matter of this sort. This question is not sprung on the House, nor is it our desire that the House should pledge itself to any course by agreeing to this formal resolution. This motion is merely in fulfilment of an undertaking in His Excellency's speech, and the Government have no idea in submitting it in this formal way to commit the House any more than the House is committed in regard to any other appropriations submitted. As to the state of the public business of the country, I know nothing officially about any crisis in Parliament. I have not heard the head of the Government pledge himself yet to any course, and I look on the intervention of the honorable member for North Sydney as a most unfriendly act on his part—unfriendly not only to me, but, more than that, to the State which I represent. There is nothing whatever in the motion to take exception to. The motion merely has the effect of placing this matter on the notice-paper for the information of honorable members, to be dealt with in the ordinary course. There are very few instances, I think, on record, where any real objection has been taken to such a course.

Mr. GLYNN.—Complaints have been made of this procedure several times, as pledging us to the merits of a question before we consider it.

Sir JOHN FORREST.—If the honorable and learned member thinks that the consideration of a message from His Excellency pledges the House to a certain course, that result is furthest from my intention. I know sufficient of parliamentary procedure to be aware that such a motion does not pledge the House in the slightest degree. If any one says that this procedure, adopted in order to bring matters under the notice of honorable members, and to have the Bill circulated, pledges the House, it is a consequence to which I have not been accustomed, and one which I do not understand. The same objection could apply to every single appropriation which might be asked for, and which might be afterwards cast aside by the House. As I said before, I consider the action of the acting leader of the Opposition as most unfriendly to me and to the State I represent. He is taking a most unusual course, which, so far as I know, has never been taken in this House, even on the most controversial subjects. The honorable member has taken advantage of his belief that something may happen in the future, to prevent my doing what I desire to do in the interests of the State I represent.

Mr. McCAY (Corinella).—I must confess that I am not convinced by the arguments of the Minister for Home Affairs as to the propriety of the course that is now being pursued. The right honorable gentleman said that he is not officially aware of anything special in the course of business in the House. I think, however, that the right honorable gentleman is, unofficially, very well aware of the state of public business; at least everybody else in the House is aware, officially or unofficially, of the present conditions. In my limited experience I have always understood that, whether there be a formal vote of want of confidence, or a matter which is well understood to involve, or which might reasonably involve the fate of the Ministry before Parliament, all other business is postponed.

Mr. FISHER.—All contentious business at any rate.

Mr. McCAY.—I have known Ministers to even refuse to answer questions under such circumstances. Of course, the position would be more noticeable in the case of a direct vote of want of confidence, if such were pending. But I do say that this is a matter in which the preliminary message of

the Governor-General and the consequent resolution of the Committee are not merely formal. The motion, if I heard aright, commences—"That it is expedient" that an appropriation be made for certain purposes. Of course, that does not commit the House to finally pass the appropriation, but it does to a certain extent commit the House to a semi-approval of the project which underlies it.

Sir JOHN FORREST.—No.

Mr. McCAY.—It may not commit the House to every detail of the project.

Sir JOHN FORREST.—I never considered it did so, at any rate.

Mr. POYNTON.—We are in the same position in the case of every other message.

Mr. McCAY.—That may be so. This is a matter in which a great deal of immediate and future expenditure is involved, if the motion be ultimately agreed to. The question is one on which the most diverse opinions exist, both inside the House and beyond its walls, and it is a matter which will inevitably be discussed on this motion, as well as at subsequent stages. I think the fact that there is a disposition on the part of any honorable members to discuss the matter—whatever their views may be on the merits of the question—is sufficient to support the contention that it should not be allowed to interpose in the debate on the Conciliation and Arbitration Bill, on which, apparently, so much depends. I can assure the Minister for Home Affairs that I am actuated by no unfriendly feelings, either towards him or towards the State from which he comes. I have my own opinion about this railway, but that opinion I have not, so far, ventilated, and do not propose to do so at present. I do not think the Ministry should endeavour to commit the House in the slightest degree to anything, pending the determination of matters under consideration in connexion with the Arbitration Bill. I hope, now that the Minister for Home Affairs has shown his earnestness and zeal in the matter by endeavouring to have this motion agreed to, he will see fit to consent—or the Prime Minister for him—to the matter being adjourned. I do not wish to labour the question, but we should not be started on a debate on this motion while the other debate to which I have referred occupies our attention.

Sir JOHN FORREST.—I never intended or expected to have a debate.

Mr. McCAY.—But the right honorable gentleman must realize that debate cannot

be stopped on the motion if honorable members desire to indulge in debate. The course proposed by the Minister would not add a precedent which it is desirable should be followed in such a state of public business as the present. It is not as if this were an unimportant matter, or an ordinary message from the Crown. It is a message preliminary to a discussion on a new and great question of policy. I do not mean a new question in the sense that we have not heard of it before, but new in the sense that Parliament has not hitherto done anything in connexion with it. The motion is not a continuation of an existing policy, nor does it relate to anything like the ordinary annual services; it is a special matter, requiring special consideration, and one as to which we should have more opportunity for consideration than we shall have if it be interposed in the middle of a debate of the greatest importance to the Commonwealth and the States.

Mr. FOWLER (Perth).—

Mr. DEAKIN.—I hope the honorable member is not going to discuss the question.

Mr. FOWLER.—I propose to discuss the position created by the opposition to the Minister's proposal. I can quite understand the attitude taken up by the honorable member for North Sydney, who, no doubt, wishes to assist his party to oust the Government at the earliest possible moment.

Mr. DUGALD THOMSON.—I am voting with the Government.

Mr. FOWLER.—I know that.

Mr. LONSDALE.—The honorable member should not impute motives.

Mr. FOWLER.—I am not imputing motives. Whilst I acknowledge that the honorable member for North Sydney may have some reason on his side, I do not understand the attitude of a supporter of the Government in opposing a proposal that forms so prominent a feature of the Governor-General's Speech.

Mr. McCAY.—Does the honorable member suppose that supporters of the Government are obliged to adhere to everything that is mentioned in the Governor-General's Speech?

Mr. FOWLER.—I had expected that in a formal matter of this kind the supporters of the Government would at least have been content to record any objections they might entertain after the formal stages had been completed. I still hope that the Committee will enable the matter to be carried to the stage proposed by the Minister. After that has been done, I shall be quite content

to allow the proposal to rest absolutely on its own merits.

Mr. DEAKIN (Ballarat—Minister for External Affairs).—This motion was submitted under the natural expectation that it would be treated in the ordinary way as purely formal. When once it ceases to be formal, it can no longer properly engage our attention at this stage. I regret that honorable members have not remembered that they would be afforded every opportunity for discussion at a later stage; but inasmuch as they apparently intend to discuss the question now—as they are entitled to do if they must insist upon their full rights—we must consent to postpone further consideration.

Mr. DUGALD THOMSON (North Sydney).—I am rather astonished that the Minister for Home Affairs should have spoken in the way he did.

Sir JOHN FORREST.—I meant it, too.

Mr. DUGALD THOMSON.—I know that the Minister generally means anything he says when he says it; but for how long he means it is another matter. In opposing the course taken by the Minister I did not in any way consider the desirability or otherwise of the railway. I have not yet made up my mind upon that point. I wish to be placed in possession of all the information that can be obtained in regard to it. I should object to any business being interposed at this stage, and I think it would have been more to the credit of the Minister, and would have furthered his object to a greater degree, if he had not attempted to rush matters and secure what he may afterwards consider a tacit approval by the House.

Sir JOHN FORREST.—Not at all.

Mr. DUGALD THOMSON.—Whatever opinion may be entertained by the Minister with regard to my motive, or my unfriendliness, I shall, as I have always done, act irrespective of feelings which should not actuate honorable members when the ordinary course of procedure is adopted.

Mr. REID (East Sydney).—I suppose that no one has been more thoroughly in accord with the Minister for Home Affairs than I have in connexion with this matter. But I think that my honorable friend who has just sat down has done nothing more than his duty.

Sir JOHN FORREST.—The honorable member will not even see the Bill.

Mr. REID.—At present the Bills of the Ministry are not a matter of very much importance, because we do not know that they

will be honoured when they are presented. I think that, on reflection, my right honorable friend will see, as the Prime Minister has immediately seen, that nothing except merely formal matters should be taken in the present position of public affairs, and, of course, no matter is formal unless we are unanimous regarding it. Therefore, I think that it was a pity that my right honorable friend should have endeavoured to transact any further business in the present position of affairs. He knows that, so far as I am concerned, I am thoroughly in favour of everything he has done, and I only regret that he has been allowed to adopt the course followed upon this occasion.

Progress reported.

CONCILIATION AND ARBITRATION BILL.

In Committee (Consideration resumed from 19th April, *vide* page 1104):

Clause 4—

In this Act except where otherwise clearly intended—

“Industrial dispute” means a dispute in relation to industrial matters—

- (a) Arising between an employer or an organization of employers on the one part, and an organization of employees on the other part; or
- (b) Certified by the Registrar as proper in the public interest to be dealt with by the Court, and extending beyond the limits of any one State, but does not include a dispute relating to employment in the public service of the Commonwealth, or of a State, or to employment by any public authority constituted under the Commonwealth or a State.

Upon which Mr. FISHER had moved by way of amendment—

That after the word “State,” line 12, the words “but does not include” be omitted, with a view to insert in lieu thereof the words “and includes.”

Mr. LONSDALE (New England).—This is a question of the very gravest importance, because it will affect all the industrial operations of the Commonwealth. We are told that the measure has been introduced to prevent strikes and locks-out, and to assist as far as possible to assure proper conditions to those who are engaged in production. I am quite the reverse of a capitalist; but I regard this class of legislation as altogether opposed to the best interests of the working classes. I realize that large numbers of persons support it in the belief that industrial disputes, if referred to an

Arbitration Court, will be settled favorably to the masses. I hold strongly, however, that no system of this kind for settling the conditions under which trade shall be conducted can be attended with satisfactory results or assist those who, as far as possible, should be helped. We have had an Arbitration Act in operation in New South Wales for about two years, and experience has shown that instead of preventing disputes it has created them.

Mr. HUGHES.—What nonsense!

Mr. LONSDALE.—The honorable and learned member says "What nonsense!" but I am quite satisfied that the great bulk of the so-called disputes which have been referred to the Court would never have existed had there not been an Arbitration Act. I believe that after an experience of that Act for four or five years the great majority of the working classes would, before the end of that term, desire to have it repealed. It has been reported that in New Zealand the Arbitration Act has conferred immense benefits. But those who read the history of New Zealand during the last four or five years must see that the prosperous condition of the masses in that country is not attributable to that legislation. Of course, the Arbitration Act can be read into New Zealand history, but those who view the circumstances free from prejudice will discover that the prosperity of the working classes has been due to the progress of New Zealand step by step—

Mr. WEBSTER.—Under protection.

Mr. LONSDALE.—Not under protection, as the honorable member interjects, because the principal advance made by New Zealand industries has been in the direction of a development of the export trade. Will any one suggest that the operation of protective duties in that country has resulted in the development of the system of dredging for gold, which has been adopted there? I have no desire to import the fiscal question into this discussion, but if the Committee desires me to do so, I am quite prepared to debate it. I wish, further, to point out that the value of agricultural crops in New Zealand last year exceeded that of the agricultural crops of Victoria, with its infinitely larger population. Hence, New Zealand affords no criterion of the success of the Arbitration Act as applied to the masses. I note that this Bill contains many clauses of a character similar to the provisions of the New South Wales Act. In this connexion, I would invite the attention of honorable members to the fact that

awards have been given by the Arbitration Court in that State, which the Judge himself afterwards found worked out in a direction entirely opposite to that which he had intended. For instance, in the case of a dispute in one of the collieries on the south coast, he gave an award which actually resulted in a reduction of the hewing rate, with which the masters did not desire to interfere. Subsequently an arrangement had to be arrived at between the masters and men to prevent any alteration in this rate, in accordance with the desires of the former. Then, in the case of the dispute at Newcastle, the miners contended that the award given by the Court was not an equitable one. A third instance which I recall occurred in Sydney the other day. It had reference to the breadcarters, who were actually forbidden to enter into business for themselves within a period of twelve months within a certain distance of the place where they had been employed. Two of their number, because they refused to sign an agreement to serve their masters for that term, were each fined £5. The award of the Court practically compelled them to remain in the employ of their masters for twelve months, irrespective of whether they desired to do so or not.

Mr. WATKINS.—Where was that?

Mr. LONSDALE.—I am referring to the award which was given against the breadcarters in Sydney the other day. Injunctions were served upon two of them with the object of preventing them from entering into business for themselves within five miles of the place where they had been employed. Putting the best possible construction upon the operation of this class of legislation, I hold that it advantages only a few, whilst it injures the many. In New South Wales recently it was found necessary to appoint a commission to investigate the declining birthrate. Under the operation of the Arbitration Court awards a man cannot employ his own son in a small business. Indeed, it is significant that laws of this character never strike at the large business man, but always hit the small man. For example, the individual who does not conduct a business which is sufficiently large to employ three men, cannot engage an apprentice. Further, if he employs his son in his establishment, he immediately becomes liable to a penalty. Not very long ago, a man desired to send his son, who had been working with him for some years, to Sydney, in order that he might obtain

a larger measure of experience. He found, however, that under the beautiful system of arbitration which is operative there, he could not afford to part with him, because if he did so he would be required to engage an apprentice to take his place, and under the award he could not. So far as the country districts of New South Wales are concerned, the Arbitration Act has undoubtedly made the conditions of life harder for the workers. We all know that during the winter the demand for labour is not so great as it is during the summer. But in many districts it has been customary for the employers to retain their hands throughout the year on the understanding that the latter would work overtime in the brisk season to compensate for the slack period. Consequently they have consistently earned good wages. The Arbitration Act, however, now steps in, and declares that these men must be paid for working overtime. It prohibits them from making up the losses incurred during the slack season by working a few extra hours during the busy season.

Mr. FRAZER.—What relevance have these remarks to the proposal to bring public servants under the Conciliation and Arbitration Bill?

Mr. LONSDALE.—I admit that they have no relevance. The fact is, I was not present when the second reading of the Bill was under discussion, and I was endeavouring, as far as possible, to get in what I had intended to say then.

Mr. McCOLL.—The honorable member's remarks are quite as much to the point as are those of a great many other honorable members.

Mr. LONSDALE.—I was quite aware that I was out of order, and I have no desire to violate any of the forms of the House. I may say at once that, in my opinion, the party from which the proposal to include the public servants emanates, have entirely given away their position. What is the attitude which they take up? They desire the extension of State employment in every direction. They wish the State to employ everybody as far as it possibly can.

Mr. FISHER.—Hear, hear.

Mr. LONSDALE.—They desire to create an inferior body to control the public servants of the Commonwealth and of the States. Does any one mean to suggest that the proposed Arbitration Court will be superior to Parliament? Undoubtedly it will be an inferior tribunal to the Legislature,

notwithstanding which we are asked to establish it on the ground that we cannot trust Parliament to provide employment under equitable conditions.

Mr. FRAZER.—Is this Parliament an investigating Chamber?

Mr. LONSDALE.—We have to investigate proposals of this kind. This Parliament is the tribunal which should control our public servants throughout. I was rather amused at one statement which was made by the honorable member for Melbourne last evening. From my point of view it was a somewhat comical one. He declared that he would not trust his case to the High Court—that he would very much prefer to submit it to the representatives of the people in this Chamber.

Mr. HUTCHISON.—That was on account of the expense that would be involved.

Mr. LONSDALE.—The honorable member is content to trust every ramification of the public service to a Court which will be called upon to determine the conditions which shall obtain throughout all departments of the State, although he will not submit his own personal affairs to the decision of the High Court. That is a remarkable position.

Mr. DEAKIN.—The point is a good one.

Mr. LONSDALE.—What is the general complaint against Parliaments? It is not that they deal harshly with public servants, but rather the reverse.

Mr. RONALD.—From the honorable member's point of view.

Mr. LONSDALE.—The honorable member knows that this is so. It is said that the Parliaments of the States are too generous in their treatment of public servants; that they do not keep them up to the mark; that, having regard to the work to be performed, too many persons are employed in the service, and that the salaries paid are more than commensurate with the duties devolving upon the officers. It is singular that those who say they wish to improve the position of the public servants, should seek to make them subject to a tribunal which will take into consideration the work that they perform, the hours during which they are employed, and other details, with the result that, if the general complaint be true, their position, instead of being improved, will be made a great deal worse.

Mr. FRAZER.—We propose that every case should stand upon its merits.

Mr. LONSDALE.—The object of the honorable member and those who share his view is to make the position of the public servants worse than it is.

Mr. FRAZER.—It is not.

Mr. LONSDALE.—I repeat that it is. I wish it to go forth to the public servants of Australia, that that is the position taken up by those who support this amendment. The object of the honorable member's party is to gain additional support at the elections. They say that they wish to improve the position of public servants, and yet it is evident that, if the public servants' case be fairly dealt with by the tribunal proposed to be appointed, their position will not be as good as it is to-day.

Mr. FOWLER.—The honorable member a few minutes ago protested against the imputation of motives. What is he now doing?

Mr. LONSDALE.—I admit that I did impute motives, but my action was due to the interjection made by the honorable member for Kalgoorlie.

Mr. FOWLER.—The honorable member is endeavouring to fasten his own opinion upon another honorable member.

Mr. LONSDALE.—That is not so.

Mr. POYNTON.—Does the honorable member believe that the public servants of Australia are too well paid?

Mr. LONSDALE.—Some are too well paid, while others do not receive sufficient. It would be utterly impossible for the Court to deal with the public servants on a uniform basis, and to go into each case as they would require to do in order to deal fairly with them. We know of the large number of Departments in the States, and of the varying conditions under which public servants work in town and country districts. The conditions of public servants in different localities in New South Wales vary very considerably, and it would be exceedingly difficult for the Court to lay down any general rule in regard to them. Why should we, by means of any Court, interfere between the States and their servants?

Mr. RONALD.—Or with any one else.

Mr. LONSDALE.—Quite so; but why should we interfere more particularly between the States and their public servants. The reason given for the proposed interference with private employers is that owing to competition they have to cut things so fine that they are led in some cases to reduce the emoluments of their employés. They have a personal interest in seeking to obtain the best possible result from the labour of their workmen, and, therefore, I can see some reason for the proposal to appoint a tribunal that will remedy this

state of affairs. The same cannot be said of the position of public servants.

Mr. FOWLER.—What about the Railway Commissioners?

Mr. LONSDALE.—They have no personal interest in the fixing of wages. When the dispute occurred in New South Wales in reference to the observance of the eight hours' system in the Railway Department, the Commissioners said in effect to the men, "It does not matter to us whether you work eight hours or ten hours a day. If Parliament will vote the money necessary to enable the reform to be effected we shall be quite willing to concede the principle."

Mr. FOWLER.—Does the honorable member mean to say that the Railway Commissioners are indifferent as to the state of their profit and loss account?

Mr. LONSDALE.—Certainly not; but the point which I wish to emphasize is that they have no personal interest to serve. It is immaterial to them whether the railways show a profit of 3 per cent. or 4 per cent.

Mr. FOWLER.—On the contrary, it is a matter of the greatest concern to them.

Mr. LONSDALE.—In their case the personal element is removed. They have to consider only the public interest. I admit, of course, that it is necessary for them to conduct their business on commercial lines, but they have no personal object to serve in reducing the wages of the railway employés with a view to increase the profits of the railway system. If they make any profit, they distribute it again by way of reduced rates to the producer. I would have no objection to a Bill of this kind if I thought that it would operate successfully, and that it would have no other ill effects; but I feel certain that in the end it must bring about troubles and difficulties so far as the working classes themselves are concerned. It is because of this feeling, that I take up an attitude of hostility to the measure. Honorable members will recognise that I have no personal interest to serve. It was said last night that there were men of humanitarian principles and altruistic ideas in this House, and I claim to be among the foremost of them. If I could do anything to benefit the masses I should be prepared to take action at once; but I do not intend to make a pretence of helping them by supporting the introduction of a system which I feel must ultimately tend to their injury. All wages are fixed by production. It is impossible to say that as the result of the operation of a measure of this kind production would be increased.

Mr. JOSEPH COOK.—Does the honorable member say that wages are fixed by production?

Mr. LONSDALE.—Yes.

Mr. JOSEPH COOK.—They are fixed by competition.

Mr. LONSDALE.—I admit that is a factor; but if production is limited, and the returns from that production have to be divided among a large number of people, wages must necessarily be low. If, on the other hand, production is increased, while there is no corresponding increase in the number of people to be served, wages must be raised.

Mr. MCCOLL.—The wage-fund is affected?

Mr. LONSDALE.—I do not altogether believe in the wage-fund. If the party which desires to benefit the masses would take action in another direction, and adopt a course that would lead to increased production, together with an increased distribution of the profits amongst those engaged in that production—not by means of an Arbitration Bill, but by giving every man better opportunities than he now possesses—they would do something that would be of genuine assistance to the class they represent. It is only in that way that they can benefit the masses.

Mr. POYNTON.—A single tax.

Mr. LONSDALE.—That is quite right. I have made it perfectly clear that I am opposed to legislation of this kind. I would wreck the Bill to-morrow if I could do so. I have seen the ill-effects of similar legislation in New South Wales. I have read of a man who was fined for a benevolent act. An old friend who was in difficulties was employed by him at a wage higher than was necessary under the rules, but, because he was a non-unionist, the master was fined for employing him.

An HONORABLE MEMBER.—Quite right, too.

Mr. LONSDALE.—I do not think it is.

Mr. ROBINSON.—The honorable member who interjects belongs to the humanitarian party.

Mr. LONSDALE.—Quite so. Holding the views which I have enunciated, I am prepared to adopt any course that will tend to wreck the Bill. My position is a strong one. Even if the Bill be passed, I do not think we shall be able to interfere under it with the railway servants of the States. That appears to be out of our power, unless you can get these disputes to cross the border of any one State. I am not a lawyer,

and therefore I am not going to argue the constitutional question. I opposed the acceptance of the draft Constitution with all the strength I possessed, largely because it gave equal representation in the Senate to the States, but also for other reasons. That equal representation, however, was given for the protection of State rights. I am sure that no one will say that if it had been plainly provided in the draft Constitution that the railway and other public servants of the States should be under the control of the Federal Parliament, any of the States would have accepted the measure.

Mr. KENNEDY.—We should have had no Federal Parliament in that case.

Mr. LONSDALE.—That is so; every one knows it. If that is the spirit in which the States entered the Union, we should not now adopt any course which will violate the compact. The Prime Minister made a great deal of the contention that every man who voted for the amendment would be declaring himself a unificationist. He tried to make that a line of division between parties. I shall not allow that argument to deter me from doing what I intend to do. I am not a unificationist, and it may seem strange to honorable members that, whilst I am opposed to the Bill, I shall vote with the Labour Party on this amendment. But if that party get into office, and re-introduce the measure I shall vote against it again. I am here to wreck the Bill in any way I can.

Mr. JOSEPH COOK.—And to wreck the Government.

Mr. LONSDALE.—Yes, and to wreck the Government.

Mr. ROBINSON.—The honorable member is a most reckless man.

Mr. LONSDALE.—In this matter I am a wrecker. I hold that Bills of this kind will not benefit the class which they are intended to assist. I may be looked upon as inconsistent, but it is my desire that a measure of this kind shall never see the light of day, and if the amendment is carried, the Bill now before us will be put under the table. But I give the party which may come into power fair warning that I shall do all I can to wreck the Bill if they re-introduce it. I am against all these attempts to interfere with trade and commerce by protective measures. What surprises me is that men who believe in protection are opposed to the Bill. The man who wishes for a law to increase the price of his wheat by a shilling per bushel

has no right to object to the working man having his wages made higher by Act of Parliament. I cannot understand such an attitude. My own position, however, is consistent. I do not like any of these methods of interfering with trade and commerce, and, consequently, I am taking an action which I think will destroy the Bill.

Mr. HUTCHISON (Hindmarsh). — There is one thing which the debate has made very clear, and that is that the Constitution is not an instrument which he who runs may read. It appears doubtful whether any man of ordinary intelligence who studies that document can understand it. It was clearly demonstrated yesterday, which was a field day for the legal talent of the House, that the lawyers, at any rate, can tell us nothing definite as to the meaning of its provisions.

Mr. WILKS.—They hope to have a job in the High Court in interpreting it.

Mr. HUTCHISON.—Yes. I have the highest opinion of the ability of the lawyers who are members of this House, and who, as members of the Convention, took part in the drafting of the Constitution; but it seems to me that they are responsible for a measure which will supply them with food for disputes until the crack of doom. Therefore, we must rely upon our common-sense in determining the meaning of the Constitution. We have heard a great deal of State rights. The honorable member for New England has told us that he is a wrecker, so far as the Bill is concerned, that he is opposed to the measure because he regards it as an invasion of State rights. I think we have heard too much about State rights, and far too little about human wrongs. We cannot, by any Act which we may pass, violate the rights of the State, because if we go beyond the powers given to us by the States the High Court will declare our legislation *ultra vires*. But when a certain power has been handed over to this Parliament, we shall not be doing our duty to a large section of the people of the Commonwealth if we refrain from exercising it. In my opinion, the Constitution lays down the great principle that there must be no discrimination between the individuals who compose the Commonwealth. That being so, there should be no discrimination in regard to the individuals who are to come under the operation of the Bill. No honorable member will contend that the proposed Court would

do anything but absolute justice. That being so, if we are to deal fairly with all, we must place both public and private employer on the same footing, and bring both under the operation of the Bill. I would have some sympathy with the honorable member for New England if he had stated that he will not be a party to compelling the private employer to submit to the decisions of the Court unless Parliament is prepared to compel the public employer to do likewise, because we are here to legislate, not in the interests of a section of the community, but in those of the whole Commonwealth. The objections taken to the amendment are that it is neither constitutional nor expedient. Why is it not expedient? The only reason I can find for the statement that it is not expedient is in the fact that the Federal Government is not at the present time popular with some of the reactionary Governments of the States, or with an anti-democratic press, and that, therefore, we should not offend them. I take a higher stand. I say that the people of Australia are entirely with us. So far as the people of South Australia are concerned, I believe that at the last election every candidate made it a leading part of his policy to declare that all State servants should be brought under the Bill, if that were constitutional. The reservation in regard to constitutionality must always be made. The Prime Minister has urged that we should stay our hand in this matter until the States have established Arbitration Courts.

Mr. DEAKIN.—No; until they have had an opportunity to establish Arbitration Courts, and have not taken advantage of it. If they established Arbitration Courts there would be very little need for a provision of this kind.

Mr. HUTCHISON.—They have had for many years past the opportunity to establish Arbitration Courts. In South Australia a Factories Act was passed some years ago to deal, by the creation of Wages Boards, with four trades only. The Act was passed through both the Legislative Assembly and the Legislative Council, but it could not be brought into operation for the reason that the latter Chamber, in its wisdom, suspended the regulations.

Mr. DUGALD THOMSON.—Three-fourths of the inhabitants of Australia are now under Arbitration Acts or Wages Boards.

Mr. HUTCHISON.—That is an argument for bringing the remaining fourth under similar legislation as soon as possible.

If legislation of the kind has been found a good thing for three-fourths of the population—

Mr. DUGALD THOMSON.—That has not been proved.

Mr. HUTCHISON.—Then legislation of the kind must be better still for the whole. The South Australian Act has been hung up simply because an objection was raised to the regulations—to my mind a thoroughly unconstitutional objection. The Act provides that the regulations are to be made for the better carrying out of, and in accordance with the provisions of, the Act. It has not been denied that the regulations are in accordance with the Act, and that they would undoubtedly carry out its provisions. But as yet there are only four trades which seek to come under its operation. I mention these facts to show that it is idle for us to expect, in a State with a Parliament constituted as is the South Australian Parliament in regard to its Legislative Council, a conciliation and arbitration law to be passed for many a day to come.

Mr. MAUGER.—Sweating is rampant in the four trades referred to.

Mr. HUTCHISON.—That is admitted; the press has published columns showing the extent of the sweating in these four trades. The honorable and learned member for Darling Downs, and the honorable and learned member for Bendigo both admitted that there is power in the Constitution, I think in section 98, for this Parliament to deal with any obstruction to trade and commerce.

Mr. DEAKIN.—Inter-State trade and commerce.

Mr. HUTCHISON.—Exactly; and I think the head of the Government must see that these disputes will always be Inter-State.

Mr. DEAKIN.—They must be, or they will not come under the Bill.

Mr. HUTCHISON.—If the Commonwealth Parliament has power to deal with any obstruction to Inter-State trade and commerce, surely it will be admitted that a strike of railway servants is about the most serious obstruction we could possibly have. If we have power to deal with trade obstruction at all, it is only a matter for consideration how far we should go; if this power has been delegated to us, we can go as far as this Parliament, in its wisdom, chooses to decide. In dealing with the New South Wales arbitration law, the honorable and learned member for Bendigo

stated that the Parliament of that State had surrendered its powers to an Arbitration Court simply because that Court was of the Parliament's own creation. The honorable and learned member's objection to including States servants within the Bill before us is, that the Federal Arbitration Court would not be a Court created by the States. But I take an entirely different view. I contend that there has been nothing brought before the House to prove that the people of Australia did not surrender to this Parliament the right to create a Federal tribunal, by which the States would undoubtedly be bound. That seems to be the one point we have to decide in regard to this particular question. It was further stated that there is no power to enforce an award; but surely no honorable member will agree with such a position. If there is no power to enforce an award given by a Court created by the Commonwealth Parliament—that is, an award against a State—then it is in the power of any State to flout the Commonwealth Parliament at any moment. Will any honorable member concede such a position? Why, such a position is impossible! I should like to put it to the Prime Minister whether, if a railway strike took place in any State in the Commonwealth, and we found not only that commerce was obstructed, but that the mails were stuck up at different parts, the Commonwealth would have power to interfere?

Mr. DEAKIN.—So far as the obstruction was Inter-State, yes.

Mr. HUTCHISON.—And only a minute ago the Prime Minister admitted that all these disputes must be Inter-State.

Mr. MCCAY.—No; the Prime Minister said that the only cases amenable to the Bill must be Inter-State.

Mr. HUTCHISON.—We have had an admission that the Commonwealth would have power to deal with such a case as I have indicated; and if the Commonwealth has the power to interfere in the one case, it has the power to include the whole of the States public servants within the four corners of the Bill.

Mr. DEAKIN.—The difference is that the Commonwealth has power to deal with such a case by taking its own executive action to have its own mails carried throughout the Commonwealth, in the different States. The Commonwealth does not settle the dispute, or attempt to do so, but takes care to have its own services carried on.

Mr. HUTCHISON.—Then I would ask the Prime Minister whether, in the case of a strike becoming a very serious matter, it would be within the power of the Commonwealth to call out the military?

Mr. DEAKIN.—What good would that do?

Mr. HUTCHISON.—The good would be the good which it was supposed would result when a similar step was taken in other cases. Personally, I think that such a step would do a lot of evil, but the military have been called out when the forces were under the control of the States Governments. It is not so very long since it was suggested that the military should be called out in South Australia, and we were then told that the guns were ready loaded. It is not so very long since similar action was threatened in Victoria.

Mr. DEAKIN.—But only on the report of the head of the police that he could not undertake to preserve order with the forces at his command.

Mr. HUTCHISON.—Under similar circumstances, would it be within the power of the Commonwealth to call out the military?

Mr. DEAKIN.—Yes, and there is an obligation in the Constitution which requires us to protect the States against domestic violence.

Mr. HUTCHISON.—We are now told that the Commonwealth has power to compel men to submit to the arbitrament of force.

Mr. DEAKIN.—That is a different matter.

Mr. HUTCHISON.—What else does it mean?

Mr. DEAKIN.—It means to preserve peace, order, and good government.

Mr. HUTCHISON.—Honorable members may call it keeping order, or any thing they like; but the fact remains that men are to be compelled to submit to the arbitrament of force.

Mr. DEAKIN.—Not for any thing except to keep order.

Mr. HUTCHISON.—Precisely; but the Prime Minister will see that here the Commonwealth would be interfering in a purely State matter.

Mr. DEAKIN.—When authorized by the Constitution and commanded by the Constitution to do so, but not otherwise.

Mr. HUTCHISON.—If it be laid down in the Constitution that there can be such an interference by force, surely we have power to interfere by reason and law.

Mr. DEAKIN.—That is the whole question.

Mr. HUTCHISON.—On several occasions Broken Hill, which is in New South Wales, has been subject to water famine, and has been entirely dependent on the South Australian railway service for its supplies. In the event of a dispute arising on the South Australian railways at such a time, when the lives of the people of Broken Hill would be endangered, does any honorable member mean to tell me that the Commonwealth Parliament would not have power to interfere, although the dispute would be in South Australia, and the suffering at Broken Hill? There is no arbitration law in South Australia to deal with such a matter, and it will be seen what a serious risk we are running in this connexion. Unless South Australia had been at times able to supply the Broken Hill population with water, not only would the mines have had to be shut down, but the people would have had to emigrate, those who could not afford to do so being left to die of thirst. I contend that in the event of a dispute occurring at such a critical time, the Commonwealth would have the power, and would not hesitate to exercise that power, to interfere. It has been mentioned that the United States Constitution was meant to affect individuals, and not States. That is precisely the position I take up in regard to our own Constitution; and in affecting individuals, it is not meant that the Constitution affects a number, but the whole of the individuals of any State. Therefore, if we are going to interfere with employes, we ought, as we have the power, to treat alike private employes and those who are State employes only by accident. I was surprised at the attitude of the honorable and learned member for Indi, who, after contending that it was impossible to definitely say whether States servants should or should not be included, refused to allow a provision including them to be inserted in the Bill, so that the matter might be decided by the High Court. Let us adopt the other view of the matter. Suppose that it is constitutional, and I believe that the honorable and learned member believes that it is—

Mr. POYNTON.—The honorable and learned member bases his objection upon the ground of expediency.

Mr. HUTCHISON.—I am aware of that, and that is the flimsiest objection any one could offer. I take the strongest exception to the attitude

assumed by some honorable members, because the objection offered on the ground of expediency has been taken in order to please a very small, but still an influential, section of the people, whose views are opposed to the interests of the people generally. After hearing the honorable and learned member for Indi say that it was quite competent for us to insert the proposed words in this measure, I was astonished to learn that he intended to vote against the amendment. If the amendment be carried, as I hope it will, and the High Court decides that we have acted perfectly within our rights, we shall be saved from the blunder of excluding thousands of the States public servants from the benefits of the measure. I am indebted to the honorable and learned member for Indi for the information that the Constitution, as it left the hands of the Convention, contained a provision that the Act should bind the Crown. We were told, further, that the Constitution, as approved by the people of Australia, contained those words, but that the Imperial Parliament struck them out. It is about time that we began to inquire how much has been omitted by the Imperial Parliament, and what bearing such omissions have upon our powers as a Parliament. After what has been stated in regard to such an important amendment as that now before us, and the restrictions upon our powers of legislation, I think the people of Australia ought to have been made acquainted with the alteration referred to, and that the amended Constitution should have been submitted for their approval. The Prime Minister has pointed out that if the amendment were adopted, we should not merely agree to submit a question of law to the High Court, but give the stamp of our approval to a provision which, if proved to be constitutional, would become immediately operative. I should hope so. I hope that we shall never—as has been suggested in some quarters—submit any question to the High Court in order to find out whether we are acting constitutionally. We ought to take up the position that in what we do we believe we are right, and acting within the Constitution, and we should not invite any other authority to guide us. It is for us to pass legislation as we think fit. If we do wrong, we shall, in due time, be set right.

Mr. JOHNSON.—We might do wrong in our ignorance.

Mr. HUTCHISON.—That would be no reflection on our intelligence.

Mr. JOHNSON.—No; but ought we not to seek enlightenment?

Mr. HUTCHISON.—No, because Parliament ought to be the supreme authority in every country.

Mr. McLEAN.—What about the proposed Arbitration Court?

Mr. HUTCHISON.—All that the Arbitration Court will have to do will be to remove the public servants throughout Australia from the operation of political influence. There will be no more political influence in regard to wages, working hours, or other conditions, because all these questions will be dealt with by a tribunal appointed by this Parliament.

Mr. POYNTON.—Is that the only influence at work?

Mr. HUTCHISON.—No; there are other influences at work which are worse than political influences, but it would be a good thing for us to get rid of some of the defects of our present system. I have never been a believer in bringing political influence to bear upon the employés of the States. The honorable member for Gippsland said that the States Governments were generous employers. I do not think so. They are very generous to some of their servants no doubt; but honorable members will recollect that when the Commonwealth Public Service Bill was being considered, a good deal of sweating in public Departments was brought under their notice. In the Post Office, for instance, some of the employés were so badly treated that this Parliament decided that the wages of several thousands should be increased. If the honorable member for Gippsland were to make himself acquainted with the conditions which existed in South Australia, or even in Victoria, the State with which he is so well acquainted, he could point to a good deal of sweating in the Public Service. At one time the conditions were so bad in South Australia that Parliament had to pass a resolution declaring that no able-bodied labourer should be paid at the rate of less than 6s. per day. Strong able-bodied men were receiving as little as 4s. 6d. per day, and I know that my kind-hearted friend will agree with me that that wage is not sufficient to enable a man to bring up a family.

An HONORABLE MEMBER.—What class of work were they doing?

Mr. HUTCHISON.—They were doing the hardest kinds of labouring work, such

as digging trenches and making roads, and they were paid from 4s. 6d. to 5s. 6d. per day.

Mr. WILKINSON.—Some men in the public service of Queensland do not receive more than that to-day.

Mr. HUTCHISON.—Do not these facts show that it is high time that we created a tribunal to which public servants could appeal in order to secure fair treatment? At present the birth-rate is declining, and the stream of immigration into the country is not sufficient to enable us to develop our vast resources. Is this to be wondered at? It would be absolutely criminal for a man receiving only 4s. 6d. per day to marry, because he could not possibly bring up a healthy family upon such an income. He could only bring into the world a number of weaklings, which would become a danger to the race.

Mr. CROUCH.—We pay our soldiers only 2s. 6d. per day.

Mr. HUTCHISON.—That is a matter that might receive consideration. At any rate it is high time that an Arbitration Court was created to which public servants could appeal. The honorable member for Gippsland took further exception to the proposed Arbitration Court because it would be constituted of gentlemen receiving a salary of only £700. I would point out that the honorable member is receiving only £400 per annum, and that no one would suggest that he would not, on that account, do justice to the very best of his ability, or that his ability is not of the highest. If honorable members can perform their duties satisfactorily for such remuneration, surely we may hope to secure the services of thoroughly capable men to act as arbitrators at the salary proposed. If, however, £700 per annum should not be regarded as sufficient to enable us to secure the best talent I should be prepared to provide for salaries of twice or three times that amount. All cheap work is dear in the end, and the labourer is worthy of his hire, whether he is digging trenches or filling the highest position in the land. The honorable member for Melbourne remarked that no speech made in Parliament ever influenced a vote. That may be true with regard to honorable members themselves, but the speeches delivered in this House have great influence upon the great body of the electors, and assist them in arriving at a sound judgment upon the merits of the subjects discussed. The discussions in Parliament very often result in

the return of men of more progressive ideas, and with more disposition to do justice to all classes of the community.

The CHAIRMAN.—Order. I would ask honorable members to refrain from indulging in conversation. I can hardly hear the honorable member speak, and the confusion is not only not fair to him, but irritating, if not distressing, to those honorable members who desire to follow the debate. I would therefore appeal to honorable members to desist from carrying on conversations in a loud tone of voice.

Mr. HUTCHISON.—Before concluding I desire to say to the honorable member for New England that, if all the evils which he predicts will result from the establishment of an Arbitration Court, it is indeed remarkable that the workers throughout the whole of the Commonwealth are clamouring for this legislation. I believe that they are just as quick to realize what proposals are in their interests as is any honorable member of this House.

Mr. POYNTON. — The employers are equally strong against compulsory arbitration.

Mr. HUTCHISON.—That is the most conclusive argument which can be advanced that the proposed legislation is good. It ought to be a very simple matter for the honorable member for New England to submit evidence from one single union in New Zealand, which has been brought under the operation of the Arbitration Act, which desires to see the Arbitration Court abolished. I feel certain that even the employers of New Zealand would object to its abolition.

Mr. KENNEDY.—That is the opinion of Mr. Mills, of the Union Steam Ship Company.

Mr. HUTCHISON.—Yes. When legislation in this direction was under consideration in New Zealand the same cry was raised there that is being raised here to-day. It was urged that it would ruin their industries and drive capital out of the country. What has been the result? Some time ago I received, from a leading public man in New Zealand, two newspaper extracts containing reports of an interview which representatives of the Chamber of Manufactures had with Mr. Seddon. The deputationists requested that they should be granted two representatives in the Legislative Council, which, as honorable members are aware, is a nominee body. The ground upon which they based their claim

was that of the influence which the Chamber of Manufactures exercised in the country. Mr. Luke, one of the leading members of that body, introduced the deputation, and quoted figures to show that during five years there had been an enormous expansion of trade in connexion with every industry of New Zealand—an expansion which in the manufacturing industries alone aggregated a value of no less than £7,000,000. Thereupon Mr. Seddon remarked that the consciences of some of the deputationists ought to be pricked, in view of their predictions that the Arbitration Act would drive capital from the country. I hold that this Bill will injure nobody but the unscrupulous employers, of whom there are too many in Australia to-day. A similar cry has been raised against every industrial measure that has come before the Parliaments of the world. It is always contended that such legislation is bound to injure somebody.

Mr. POYNTON.—Especially the poor widow.

Mr. HUTCHISON.—Exactly. If I thought that the amendment proposed was unconstitutional, I should oppose it. But I have no misgivings in that direction, although I entertain a doubt in regard to the construction which should be placed upon the word "industrial." To my mind, it is questionable whether we have power to include the whole of our public servants under this legislation. Nevertheless we shall not wreck the Bill by insisting upon their inclusion. If the matter comes before the High Court, the worst that can happen is for that tribunal to declare this particular portion of the Act, which includes public servants, other than those engaged in industrial occupations, *ultra vires*. I support the amendment of the honorable member for Wide Bay, because I hold that it would be most unfair to exclude, not merely thousands, but tens of thousands of workers from the operation of a beneficent measure.

Mr. MCCOLL (Echuca).—I do not desire to give a silent vote upon this question, as I have not previously spoken upon the Bill. I regard the present occasion as a momentous one. Probably it will prove to be the "parting of the ways" in more respects than one. The two previous speakers have dealt more with the Arbitration Bill as a whole, than with the particular amendment which is before the Chamber. In voting against that amendment, I do not oppose legislation in the direction of conciliation and arbitration.

Despite the somewhat dismal account which has been given by the honorable member for New England of the operation of the Act in New South Wales, I should be very glad to see similar legislation given a fair trial throughout the Commonwealth. At the same time, I am strongly opposed to including within its provisions any of the States public servants, no matter whom they may be. A good deal has been said regarding the experience which has been gained of kindred legislation in one State or another. We have heard very bad accounts of its operation in New South Wales and very glowing tales of the results which it has achieved in New Zealand. Personally I do not think that New Zealand owes the solidity of its industries either to trades unionism or to the working of its Conciliation and Arbitration Act. She owes it rather to her land settlement, and to the fact that she possesses an annual rainfall of 40 inches. I venture to say that if the Arbitration Act had been operative in our northern areas during the past two or three years, even if it had been administered most liberally, the result achieved would have been very different from that attained in New Zealand. The honorable member for New England was right in declaring that when production is plentiful, wages become a secondary consideration, because the producers can afford to pay good wages. I may mention for the benefit of the honorable member for Hindmarsh that it was the Victorian Government, of which the honorable member for Gippsland was the head, that established a minimum wage of 6s. 6d. per day in this State—a fact which in itself proves that his views in that direction are very liberal indeed. The McLean Government, I repeat, created more wages boards and brought more industries under the operation of the Factories Act than did any other Administration. During the past day or two honorable members have been deluged with dissertations upon the legal aspect of the proposed amendment. But there is one aspect which has not yet been touched upon, although it is of vital importance, that is, the point of view of the taxpayers. Before dealing with that matter, however, I should like to say that had this proposal been mooted in the Federal Convention, subsection xxxv. of section 51 of the Constitution would never have seen the light of day. The honorable and learned member for Northern Melbourne, who moved for the insertion of that provision, spoke very soothingly of its

operation. His tone was very different from that which he has adopted in this Chamber. He urged its insertion with great eloquence, and, chiefly owing to his representations, the provision was carried by a majority of only three votes. Some of the delegates who had previously opposed it even went so far as to reverse their votes in order that it might be given a trial. I do not intend to discuss the legal aspect of this proposal, because I feel that I am not competent to do so. I am quite content to accept the overwhelming opinion of the legal members of this House. By four or five to one they declare that it is unconstitutional. This opinion is entertained by our soundest lawyers, by men who have made constitutional law a special study. Personally, I believe that the High Court will not entertain the proposed legislation if carried, but will immediately declare this portion of the Bill *ultra vires*. It seems to me that there is something very unreal about this proposition. We are on the verge of a very grave crisis, although the causes which have led up to it are wholly insufficient. The responsibility for these insufficient reasons rests not with the Government, but with the party which is seeking to introduce the thin end of the disintegrating wedge.

Mr. O'MALLEY.—What party secured the confidence of the people at the last elections?

Mr. McCOLL.—We shall hear something further in regard to the confidence of the people before we have finally disposed of this matter. If the last elections had taken place three months earlier or later than they did, the position of parties in both Houses might have been very different. In my opinion this proposal is nothing more nor less than a sham. If the amendment is carried, it will be set aside by the High Court, and in any event must be a sham. Even if it is passed and is held by the High Court to be constitutional, it will be ignored by the States themselves.

Mr. O'MALLEY.—That is questionable.

Mr. McCOLL.—The Premiers of Victoria, South Australia, and Tasmania have practically said as much. They are very strongly opposed to the amendment, and if it be carried, I feel satisfied that they will ignore it. The Labour Party, in pressing this amendment, are simply holding in front of the public service of the States an *ignis fatuus*, which is supposed to be an offspring of inflammable gas, of which, by the way, we have had a large supply

during this debate. The public service will obtain no real or permanent benefit from the provision proposed to be inserted. As the honorable member for New England has said, it is interesting to observe the great attention which the Labour Party bestows on the public servants of the States. I agree with the conclusion arrived at by the honorable member, that they are actuated by the desire to secure a compact, solid body of support that will assist them in giving full effect to their various proposals. I do not blame them for endeavouring to secure this support; but I feel satisfied that the motive I have mentioned is the one which underlies the interest displayed by them in the public service. I take strong exception to the assertion that public servants throughout Australia desire to be brought within the scope of this Bill. Meetings of public servants have been held in Melbourne, at which the signing of the State Labour Party's programme has been discussed, and although in one case a proposition to support the programme was carried at a packed meeting by a few votes, in other cases it was absolutely repudiated. At a conference of State school teachers from all parts of the State, which was held last week at Bendigo, a proposition that the teachers should work with the Labour Party was defeated by twenty votes to nine. These facts prove that the assertion that public servants throughout Australia are anxious to join with the Labour Party, and to be brought under the provisions of this Bill, is incorrect. I do not fear the coming into power of a Labour Government, because I know that the party embraces in its ranks men who are as patriotic and as desirous of stimulating the best interests of the Commonwealth as are any to be found in any other section of the House. I do not agree with all the dismal prophecies we have heard as to what will be the result of the coming into power of a Labour Government. If the Labour Party take office they will recognise that it is impossible to carry out to the full the programme which they have enunciated from many platforms during the last few months. It will be necessary for them to moderate their views, and to recede very considerably from the position hitherto taken up by them. Unless they did so, they would not reign for any length of time. The amendment is likely to be carried, but the prospect before the new Government is not encouraging. We have heard, for example, the statement of the honorable member for

New England, that while he proposes to vote with the Labour Party on this amendment, he will do his best, when they come into office, to keep them well up to the collar, and to see that they do not pass a Compulsory Arbitration Bill. For these reasons, I shall in many respects have no regret if the threatened change of Government occurs. I shall certainly deplore the loss of one or two honorable members from the active government of the Commonwealth, and more especially the loss of the present Treasurer. I doubt very much whether we shall be able to secure the services of any other honorable member who will conduct the financial operations of the Commonwealth with the zeal, industry, and honesty that have been displayed by the right honorable gentleman. It has been asserted upon many platforms that the present political position is intolerable; but what will be the position if a change of Government takes place? At present we have a Liberal Government, backed up by a Labour Party. If the change occurs, we shall have a Labour Government with a Free-trade backing; and, just as at present the Ministry is at the mercy of the party which holds the balance of power, so the incoming Government will be at the mercy of the tail of the Free-trade Party, which we understand will vote with them on this amendment. The new Government will have to give effect to their wishes, or retire from office. Thus the present complex state of things in this House will not be remedied.

Mr. WILKS.—What is the way out?

Mr. MCCOLL.—We shall find a way out from the experience gained in both cases. Whilst the individual members of the Government of the Commonwealth will be changed, there will be no alteration in the present position. The position of which complaint is now made will continue, although the factors may be varied to a certain extent. A remark made last night by the leader of the Opposition appeared to me to be a very significant one. The right honorable member stated that, while he would not object to members of his party voting in favour of this amendment, he felt satisfied that if any of them intended to quit his leadership they would give him notice of that intention, and that, as a matter of fact they had not done so. That foreshadows an interesting position, so far as the new Government are concerned. They will be kept in office by a number of free-traders on the Opposition side of the

House, who will continue to owe allegiance to the present leader of the Opposition. That the Government which is to come into power will be very moderate in their views is proved very clearly by the series of interviews with the leader of the Labour Party in this House, Senator McGregor, and others, which appeared in last Saturday's issue of the *Age*. Those gentlemen stated that, whilst they approved of all the planks of the Labour Party's platform, they did not propose to attempt to give effect to them at once. They said, in effect—"The millennium has not yet arrived. We are going to bring about the nationalization of one or two industries, such as the liquor and tobacco trades, and with that work we shall be content." The nationalization of these two industries formed a plank in the platform of the Liberal Party long before the Labour Party was heard of, and I shall be prepared to join in carrying out the proposal, irrespective of considerations as to the Government by whom it may be introduced. It seems to me that the new Government will be far more moderate than many appear to imagine. I shall welcome the change, because it will help to clear the political atmosphere. It will bring about a distinct line of cleavage as between those who are Federalists and those who are not. It is somewhat singular that many honorable members who are pressing this amendment were anti-Federal when the Constitution Bill was before the people, and are anti-Federal now. They are now seeking to justify the dismal prophecies which they then made. I also welcome the change, because it may place us on more solid ground. One of the curses of the political system of the States—and it will be the curse of the Commonwealth system—is the absence of continuity of policy. Changes of policy are too frequently made. A Government introduces a number of valuable measures, but goes out of office, and its successors throw those measures aside and bring forward new proposals, for no other reason than that they were originated by their predecessors. We require a strong Government, with a continuous line of policy. I should be glad to see the hint thrown out by the honorable member for South Sydney last week, in the very able speech he then made, taken advantage of. He wishes to see a union of parties, so that we may have a strong Government acting upon progressive lines in the interests of Australia. References have been made during the debate to the late un-

fortunate railway strike in Victoria. Those references were calculated to inflame rather than to soothe matters. I do not think that the position of affairs has been fairly stated, and therefore I should like to make a few remarks in regard to it. We must remember, first, the position of Victoria prior to the strike. For seven or eight years previously, there had been a continuance of droughts, so that the railway revenue had fallen off lamentably. The Government was faced with a heavy deficit, and the railway revenue was falling off at the rate of from £300,000 to £350,000 a year. Something had to be done to put things straight, and the public servants, including the railway officials, were therefore asked to contribute a small percentage of their earnings. No doubt it was hard for them to do that, and with better seasons the reduction would not have been made. But let us look at the matter fairly. The Government had to do something, because the State was drifting towards insolvency. Not only were the public servants asked to contribute a small proportion of their earnings, but very heavy taxation was imposed on the people generally.

Mr. POYNTON.—The Government put the railway men upon short time, and stopped their privilege tickets.

Mr. MCCOLL.—I do not hold a brief for that Government, because it did some things which were very unwise and unjust. Promises of increases in pay were made to lower-paid men, which should have been fulfilled without delay, but have not been carried out yet. But the putting of men upon short time was a humane course to take. If the honorable member were one of a gang of six, to whom it was proposed that either one should be dismissed or all suffer a reduction of pay to the extent of 10 or 15 per cent., would he not choose the latter alternative? It must not be forgotten that no member of the Victorian Parliament, and no member of this House, has for a moment defended the strike. All have characterized it as ill-advised and injudicious. Although the honorable members for Bland and West Sydney seem to indicate that a railway strike may occur again in the future. I do not think that there will be another strike in the present generation. The suffering and loss entailed by the late strike has been burned in too strongly upon the minds of those who took part in it, and it will be a long while before men will

be ready to risk their positions again. Moreover, that strike was a strike, not of all the railway servants, but of only the locomotive engine-drivers. I know scores of railway men, and many of them were dead against the strike, though, from a feeling of loyalty, they went out with their mates. They would not, however, risk their positions again, unless under most extraordinary circumstances, such as I cannot imagine likely to occur. I think, too, that honorable members who speak lightly of the strike are unaware of the strong feeling of the people in the country districts of Victoria in regard to it. Moving through those districts as I have to do, I know the feeling of the people there. It was felt at the time that, no matter what might be the loss, it would be better for the railways to remain idle for six months than for the Government to give way. That feeling would be ten times as strong if another strike occurred. The honorable and learned member for West Sydney last night referred to the circular of a railway organization which was sent to all candidates during the recent Federal elections. I received one of those circulars, but, although I have been in political life for eighteen or nineteen years, I have never yet signed a declaration of policy by any organization. The circular was signed by Mr. Robert Hollis, of New South Wales, and read as follows:—

The Federal Council, composed of delegates from every State in the Commonwealth, which recently met in Sydney, instructed me to respectfully inquire from you, in the event of your being elected to the Federal Senate, or House of Representatives, as the case may be, whether you would be prepared by every means in your power to support—

1. A Federal Conciliation and Arbitration Bill.
2. The full inclusion therein of the railway services by a specific clause bringing them under the operation of the Act.
3. Restriction of the powers of the Inter-State Commission, or, in the event of the railways being taken over by the Commonwealth, of the powers of the Railway Commissioners, so as to prevent them in any way increasing hours of duty, reducing wages, or interfering with rights, privileges, or immunities now enjoyed, and the insuring that all such matters shall only be dealt with either by legislation on the part of Federal Parliaments, or by regulations framed and issued by the Federal Ministry, which, before being in force, shall be subject to approval by the Federal Parliaments.

I am to state that the Council resolved that the several State associations shall use all their

powers to induce all their fellow-workers to vote only for the candidates who will support these requests.

If you are in favour, will you be good enough to sign one of these circulars, and return it to the address given below for your State, as well as publicly give your adherence from your platform, or, if possible, in your election address, or by advertisement, also forwarding copy of such.

No reply will be regarded as unfavorable.

I thought that a bit strong. No matter what the circumstances of the country, it is proposed that the railway employes shall occupy a political holy of holies, into which no one shall enter to do them injury, or to ask them to contribute to the expenses of the country.

Sir JOHN FORREST.—What was to be the consideration for signing that circular?

Mr. McCOLL.—I do not know. Perhaps the securing of the railway vote. I did not reply to the circular, and I do not think I lost all of the railway votes in consequence. It was going too far to ask me to give such a pledge. As I said before, there is one individual who has been quite left out of consideration in this discussion, and he is the taxpayer. We should give him some consideration. Every proposal of this kind, no matter whether made by a State or by the Federal Parliament, means further expense. I am not prepared to say that there are not men in the railway services who are underpaid, but I think that with the return of better seasons their grievances will be remedied. Some people are altogether too liberal with other people's money. I think that as trustees for the public we should be as careful of the public money as we are of our own. It is the taxpayers who have to keep the railways going. Railways are absolutely indispensable to new countries such as this, and it is the produce from the land, from the mines, and from the forests that gives them employment and provides them with revenue. The produce from the interior makes up the freights which are conveyed to our ports, and the requirements of the people in the interior make up the freights that are sent back from the ports. With the exception of those who are engaged in working up raw material into finished goods, all besides those on the land are middlemen, who contribute nothing to the production and wealth of the country. The railways, therefore, depend upon the people on the land, and the people on the land upon the railways. This question is beyond all else a producer's question, and I, as the representative of a purely agricul-

tural district, deem it my duty to bring this aspect of it under notice. The economical working of the railways is of the greatest importance to our producers. They are not rich men. They are the struggling units of the interior, who have had to combat drought and other difficulties for a number of years. All of them have to work hard, and in many cases they make only a bare living. The passing of an amendment like this, will, possibly, increase the railway expenditure of the States, and it is quite possible under an Arbitration and Conciliation Board that the railway employes of a State like Victoria may obtain the same rates of pay as prevail in Western Australia, where conditions of employment and living are such that, perhaps, twice as much should be paid as is paid here. Any increase in expenditure, however, must fall, in both the first and last instance, upon the producers of the country. They will have to bear, not only increased freights, but, it is possible, even extra taxation. The only road out of the difficulty is to increase our production. If the railways were carrying larger freights, and the trains were full, the men would be better paid, and there would be no quibbling about wages. As the honorable member for New England pointed out, there is no trouble about wages when the production of the country is large. If our friends of the Labour Party would interest themselves in the development of the country, in settling people upon the land, and in assisting them to increase their production, they would do more for the solution of the problem which faces us than can be hoped from the introduction of fads and nostrums such as Arbitration Bills for the coercion of State Governments. So long as there is poverty in the land the condition of the public servants will be unsatisfactory, but as poverty is lessened, all will become more happy and contented.

Sir JOHN FORREST (Swan—Minister for Home Affairs).—It may be somewhat surprising to honorable members that, in a matter of so much importance, and so vital to the Government, no Minister has, up to the present, risen to support the Prime Minister. That is the principal reason why I feel it incumbent upon me to speak. If there had been a scramble on the part of Ministers, eager to rush into the fray, probably I should have been content to remain silent, but, under the circumstances, I feel that I should not be doing my duty to myself, or to the great State which I

represent, if I refrained from speaking upon this important subject. My object is to support, as well as I can, the view taken by the Prime Minister. Those who have listened to the debate must have been surprised to find such an important discussion characterized by calmness, and quietude, and freedom from bitterness. No one, judging from the debate itself, would imagine that a great crisis in the history of Australia was close at hand. In my opinion, the atmosphere has been too calm, and the debate too free from excitement to be altogether healthy. When an attempt is being made to dispossess the occupants of the Treasury benches, surely those whose defeat is being aimed at should have something to say. I do not know why my honorable friend, the Prime Minister, should look so cheerful, and take such a philosophic view of the situation, as the decision will probably have the effect—although I am not speaking officially in regard to this matter—of hurling him and his Ministers, and those who have supported him, from the dominant political position in Australia. The only explanation which suggests itself is, that my honorable friend finds that he can no longer bear the strain of the position. The Prime Minister told us some time ago that a form of government, with three parties in the House of almost equal strength, was one which could not be tolerated for long, and he indicated as clearly as possible that he was not prepared to carry on the Government unless he had a working majority. He has found since Parliament has met that parties are almost of equal strength. The supporters of the Government are, perhaps, stronger, than either of the other parties, but a combination of the forces gathered together under the standards of Labour and the Opposition could at any time bring about the expulsion of the Government from office. That is a position which it would be impossible for any one with any experience in leading Governments to regard with equanimity. To me the position seems impossible. It will be just the same for those who succeed us—if any one does succeed us. It will be no longer “Yes, Mr. Watson,” but “Yes, Mr. Deakin,” or “Yes, Mr. Reid”—or whoever may lead the other two parties. I have said before, and I say again, that responsible government, as we understand it, cannot be satisfactorily carried on under such conditions. The debate has proceeded in such a manner that an onlooker could hardly tell which was the aggressor

and which was the party attacked. This condition arises from the generous disposition of the Prime Minister, who looks upon his adversaries almost as friends. He is certainly to his opponents the most generous man in public life whom I have known. It is a mean trait in human character which induces men to grudge to their fellows the good fortune which may attend them. When we win, as I suppose we all do at one time or other, and we are full of rejoicing at our good fortune, we do not care to see others display envy towards us. Those who may be successful in the battle which is now proceeding shall not be regarded by me with any feelings other than those of good-will and congratulation. I am very glad that this question is to be decided in a straightforward manner. The Prime Minister stated that as a constitutional lawyer he did not believe that State servants could be brought within the scope of our legislation, but in order to make matters perfectly clear he inserted a provision that the Bill should not extend to servants of the States. I am very glad that the Labour Party are acting with equal straightforwardness. They believe that State servants are within the scope of the Bill, without being specially mentioned, but they have decided that their belief shall be clearly and definitely expressed in words in the Bill. Nothing is to depend upon implication, or upon a decision of the High Court, but definite words are to be employed. Therefore, both sides are upon thoroughly open ground. It is not proposed to leave it to the High Court to decide the question unless the words inserted are *ultra vires*. Both sides are making their position clear, and I think that this should be a matter for congratulation. There is no need to beat about the bush, nor is there any uncertainty as to what is intended. I should like to deal with this question from three points of view. The first of these has reference to the constitutionality of the amendment. Not being a lawyer, I shall not speak upon this point at any great length. The next question is that of expediency; and the third whether there is any necessity for extending the operation of the Bill to the States public servants. Upon the constitutional point I absolutely agree with the Prime Minister. I have had the pleasure of listening to him on several occasions, and I am absolutely in accord with the conclusions at which he has arrived. It has been said by several honorable members that there was a doubt in the

Prime Minister's mind, but I think that my honorable friend, whilst abstaining from the dogmatic pronouncement that "This is the law," has said, clearly, "In my opinion this is the law; I have no doubt about it." How could he go further? It would be impossible for him to say what the High Court or the Judicial Committee of the Privy Council would decide, and he could only give his own opinion as a lawyer. This he has done in definite terms. When speaking at Ballarat he indicated that the policy of the Government would be the same as that pursued on a former occasion, and I am glad to be a member of a Government that is not afraid to face the responsibility attaching to its position in a matter of this kind. Whatever may happen to us, it can never be said by the people of Australia that we said one thing and did another. I listened with the greatest pleasure to the honorable and learned member for Bendigo, whose exposition of the law on this question was most able, clear, impressive, and couched in firm and moderate terms. Any one listening to the honorable and learned member, to his clear phrases, and noting his impressive manner, must have realized that he was speaking with authority—as one who had considered the matter and felt the responsibility that rested upon him. A good deal has been said during this debate concerning the Federal Convention; and some honorable members who were not delegates to that gathering have asked, "Why should we consider the intention of the framers of the Constitution?" Last evening, however, the honorable and learned member for Indi quoted extracts from eminent constitutional authorities, which, instead of showing that the intention of the law-makers was of no importance, conclusively demonstrated that where ambiguity or doubt existed, that intention might fairly be taken into consideration. I could understand the argument advanced by some honorable members being used in connexion with the American Constitution, which was adopted more than 100 years ago, because not one of its framers at present survives. But in this Chamber I see several honorable members who took part in the deliberations of the Federal Convention, and who discussed this clause from one point of view or another. Under such circumstances I hold that we are warranted in paying regard to the intention of the Convention at the time this provision was under consideration. If the intention of the framers of our Constitution is

Sir John Forrest.

of no importance, I certainly think that it ought to be, especially in these early days, when it is fresh in our minds. No member of that body ever hinted that sub-section xxxv. of section 51 was intended to be used in the way to which it is now sought to apply it. Had it been so hinted at it would not have been assented to. Of course it may be said by those who were not members of the Convention that we "built better than we knew." The honorable and learned member for Northern Melbourne was the author of that provision, and in supporting him I said that "I doubted whether I was on the right track in supporting him." But did he imagine at that time that this sub-section would be used for the purpose which is now proposed?

Mr. HIGGINS.—I never knew there was a distinction between coach-drivers and train-drivers.

Sir JOHN FORREST. — If the honorable and learned member knew of it, why did he not mention it? Did he think that because I came from the far West he could hoodwink me, and secure my support by withholding something of which he had knowledge?

Mr. HIGGINS.—No; certainly not.

Sir JOHN FORREST.—Then I will be more generous to the honorable and learned member, and say that the idea that sub-section xxxv. of the Constitution could be used in the direction that is now proposed never entered his mind. He is perfectly well aware that there was no stronger supporter of State rights in the Convention than I was. It was only natural that those who represented the smaller States should be careful to see that they were not placed under the heel of the larger States. Does the honorable and learned member imagine that if he had mentioned this matter I should ever have consented to place the State servants of Western Australia under the domination of the State servants of Victoria or New South Wales? I should have replied, "I am an advocate of State rights. I believe that Western Australia is quite competent to control its own public servants, without any interference on the part of other States." If the High Court decides that the Commonwealth possesses this power under the Constitution—

Mr. WEBSTER. — The right honorable gentleman will not allow that tribunal to decide the matter.

Sir JOHN FORREST.—I am not here to assist in passing measures the legality of

which must be at once questioned by the High Court. I prefer to exercise an independent judgment.

Mr. WEBSTER.—The High Court is bound to interpret it.

Sir JOHN FORREST. — I shall take care never to submit to the High Court a matter which I am convinced is *ultra vires*.

HONORABLE MEMBERS.—Oh!

Sir JOHN FORREST.—I fear that honorable members misunderstand me. I shall take great care that any legislation which commands my support comes within the powers conferred upon us by the Constitution. I regret that the honorable and learned member for West Sydney is absent from the Chamber, because I wish to refer to some statements which he made last evening. I am a Scotchman, and I believe in the motto of the Order of the Thistle, "*Nemo me impune lacessit*." If a man hits me I am inclined to hit back if I can. The honorable and learned member took it upon himself very unnecessarily to make disparaging observations concerning the representation of Western Australia at the Federal Convention. He endeavoured to make it appear that that State was represented by ten delegates who were elected by a small number of voters. I desire to tell him that they were elected by the members of the House of Assembly and the Legislative Council sitting together. I would point out that the very mode of election which was adopted in the case of delegates to the Convention in 1891 was that followed by Western Australia in 1897. But there is a higher example than that. That example is afforded by the United States Senate, which even to-day is elected in the same way.

Mr. FISHER.—A very paltry way.

Sir JOHN FORREST.—It comes with ill grace from the honorable member for Wide Bay to say that of probably the most august legislative body in the world.

Mr. FISHER.—I say that it is a paltry way to elect representatives.

Sir JOHN FORREST.—As the statement emanates from the honorable member, I suppose it must be right, and that the American people must be wrong.

Mr. FISHER.—If the American people could change the mode of election to the Senate they would quickly do so.

Sir JOHN FORREST.—It appears to me that some Australians are a good deal too big for their boots. I wish, briefly, to

refer to the delegates who represented Western Australia at the Federal Convention. If it were not rude to do so, I should like to compare them with honorable members of this House, or of the other Chamber.

Mr. CROUCH.—Don't.

Sir JOHN FORREST.—The honorable and learned member for West Sydney has thought fit to make disparaging remarks concerning those delegates. In my judgment, however, they were in no way inferior to himself, either in learning or experience. They comprised Dr. Hackett, one of the most able and learned men in Australia; the late Mr. Leake, a Q.C., who afterwards became Premier of Western Australia, and who was a prominent public man for many years; Mr. James, the present Premier, who does credit to Australia; the late Sir James Lee Steere, for many years Speaker of the Western Australian Legislative Assembly, of whom no one will speak but with honour; and others including my humble self. I regret that the honorable and learned member, in his little self-satisfied, bombastic way, endeavoured to cast ridicule upon the Western Australian delegation at the Convention.

Mr. HUGHES.—I merely attempted to show what was perfectly true, namely, that neither the right honorable gentleman nor the other representatives were elected by a majority of the people of that State.

Sir JOHN FORREST.—They were elected by the same process as that by which the United States Senate is elected to this day.

Mr. HUGHES.—What of that?

Sir JOHN FORREST.—Let me return to the subject which I was discussing when I was led away by interjections. It is generally admitted that the Victorian railway strike is the parent of the amendment introduced by the honorable member for Wide Bay.

Mr. FISHER.—No, no.

Sir JOHN FORREST.—The honorable member denies my statement; but that is the opinion which I entertain, and which has been expressed by several other honorable members. In dealing with this question I have no desire to be personal. On the contrary, I wish to be on good terms with every one in this House as well as out of it; but I hold the view that the Victorian railway strike is the parent of the amendment, which would probably not have been thought of but for that unfortunate occurrence. Many opinions have been expressed upon

that strike, and upon the attitude taken up in reference to it by the State Government, but I think it is foreign to our duty to give utterance to such opinions, and that no good purpose can be served by doing so. While I may hold certain opinions in regard to the strike, it is unnecessary for me on this occasion to give expression to them. I will say, however, that I considered that the strike was a very regrettable occurrence. That was the view which honorable members generally took of it; but I have such confidence in the self-governing powers of the State, and in the fairness of the people, that I feel assured that they have no desire to inflict any wrong upon any one. When persons have complained to me that a Government of which I happened to be the leader had acted unfairly I have invariably answered, "Governments never act unfairly; they never intentionally do wrong." The desire of a Government is to do that which is right, and to assist their fellow colonists by dealing fairly with any question which comes before them. I have faith in the capacity of the people of Victoria to do what is right in the customary constitutional manner. The people of Victoria can manage their own internal affairs, and will mete out justice to all their public servants without the assistance of the Commonwealth Parliament. We must remember that, although we have been returned to this House from all parts of Australia, all knowledge is not possessed by us. Are we likely to be more even-minded and more liberally disposed than are the people of Victoria, so far as the management of public affairs is concerned, merely because we come from Western Australia or Queensland? Governments may unintentionally do wrong, but I have always asserted that the people themselves are the safety valve, and will very quickly compel them to do right.

Mr. FISHER.—Provided that they have representation.

Sir JOHN FORREST.—I think that every one in Victoria has a vote.

Mr. McDONALD.—That is not the case, although some persons have two votes.

Sir JOHN FORREST.—It is a serious course to urge that we ought to interfere with the self-governing powers of the people of this State. If we intend to do so we should make the necessary provision in the Constitution, and declare that we are determined to have a voice in the framing of the Constitutions of the States. At present they are self-governing, and, with the exception of

the powers which have been conferred upon us by the Constitution, have complete control of their own affairs. I contend that this amendment is not within the competence of the Federal Parliament. It seems to me that the Trades Hall or the railway servants of Victoria, who are urging the extension of this Bill to the public servants of the States far more vehemently than are the servants of any other State, have lost confidence in the people of their own State.

Mr. RONALD.—They have lost their votes.

Sir JOHN FORREST.—They have the right to vote.

Mr. RONALD.—But they have special representation.

Sir JOHN FORREST.—That is a matter with which we have nothing to do. It relates solely to the self-governing powers of the State. Victoria is an autonomous State—

Mr. RONALD.—But the State Parliament has taken away the voting power which the civil servants formerly enjoyed, and has provided that they shall have special representation.

Sir JOHN FORREST.—If the State Parliament has the power it is open to them to take that action. It seems to me that those who are clamouring in Victoria for this amendment of the Bill have lost confidence in their own State Parliament—the Parliament elected by themselves under a free franchise.

Mr. McDONALD.—No.

Sir JOHN FORREST.—The Parliament of the State is elected by the people, and it is idle for honorable members to say that the State Constitution should be framed according to their notion of what is right. It must be framed in accordance with the wishes of the people of the State itself. The honorable member for Darling said last night, "We hear a great deal about States rights; let us hear something about Commonwealth rights," while the honorable member for Wide Bay spoke about petty Parliaments and petty Ministries.

Mr. FISHER.—I spoke of the littleness of Parliaments.

Sir JOHN FORREST.—The States Parliaments are as independent within their own sphere as is the Parliament of the Commonwealth, and it is improper to use opprobrious terms in regard to them. It seems to me that Victoria, which has been in the lead for fifty years so far as liberal legislation is concerned—

Mr. HIGGINS.—Has gone back.

Sir JOHN FORREST.—Apparently those who have so long held power in this State have not the same power now, and have now discovered that the position of affairs is not what it ought to be, and are anxious to secure the assistance of those who know nothing about the matter. Let Victoria look after herself, and let us keep within our own powers rather than seek to interfere with States matters. We have arrived at a remarkable state of affairs when servants of this State, who have been in its employ for many years, are no longer content to live under the State laws, and wish the people of other parts of the Commonwealth to rescue them from what they term the injustice of the Parliament elected by the people of the State itself. That is the way in which the question presents itself to my mind. I believe that there is no injustice existing in any State of the Commonwealth which the people of that State are not only prepared, but anxious, to rectify. State servants have been represented as an oppressed people; but, from an experience of the Public Service extending over forty years, I can say that for every one vacancy that occurs in the service there are numerous applicants. The Public Service is the cream of employment in Australia.

Mr. FISHER.—The same remark applies to membership of Parliament.

Sir JOHN FORREST.—Apparently it must be considered to be a very good thing to be a member of Parliament, or there would not be so many seeking election. If it were not a good thing the honorable member for Southern Melbourne would not have given up his church in order to occupy a seat in this House.

Mr. RONALD.—Did the right honorable member give up anything in order to become a member of this Chamber?

Sir JOHN FORREST.—Yes; the Premiership and my seat in the Parliament of Western Australia. I am wholly in accord with the honorable and learned member for Bendigo, who contends that if the amendment be passed it will put an end to the autonomy of the States. I do not mean to suggest that that would be the immediate result of the passing of the amendment; but I contend that it is altogether opposed to the theory of the Constitution. It might stand on the statute-book for many years without doing any harm; but the fact would nevertheless

remain that the foundations of the States Constitutions had been undermined, and that to a certain extent, at all events, the self-government of the States was at an end. Some members of the Labour Party may look upon that as desirable; but it is no part of the Federal compact. We undertook to exercise only those powers that were given to us by the people, and I feel satisfied that the States never intended that the section in the Constitution enabling us to deal with conciliation and arbitration should give us power to pass such an amendment as this. Even the honorable and learned member for Northern Melbourne did not imagine that it would. I now desire to deal briefly with the question of the expediency of doing what is now proposed. In these early days of the Commonwealth it is undesirable, even if we have this power, that we should exercise it to the full. One does not exercise every power that he possesses. I might, for example, have complete control over an estate, and decide to break it up, and by so doing cause injury and loss to the people living upon it; but instead of doing that, I might say, "I will go gently, for nothing can take away from me the power that I possess." I disagree with the opinion expressed by the honorable and learned member for Northern Melbourne that we may be held to have waived one of our rights if we do not exercise them to the full. If we have the right it must remain with us.

Mr. HIGGINS.—As a practical leader of Governments the right honorable gentleman must know that, if we did not exercise the right in question, it would make it much more difficult than it is now to bring in a Bill of this sort.

Mr. DEAKIN.—No.

Sir JOHN FORREST.—I do not think it would. The view which I take of proposed laws is that a measure should not be introduced to Parliament unless it is required.

Mr. HIGGINS.—Of course.

Sir JOHN FORREST.—Yes; but it is a very common thing for laws to be proposed before they are wanted. Such laws often fill up long spaces in Governors' speeches. I, on many occasions in Western Australia, resisted the introduction of laws which I was not opposed to but which I thought were not then required. For instance, some people wished for a measure to impose a minimum wage, but my reply was, that so long as men were being paid

8s., 10s., 14s., or £1 a day, I saw no necessity for such a law. Its introduction at that time might have encouraged employers who were paying higher wages to reduce them to the minimum. Unless laws are required, they are worse than useless; they are mischievous. Does the honorable and learned member for Northern Melbourne contend that, if to-day, in regard to conciliation and arbitration, we exercise as many of our constitutional powers as we think ought to be exercised at this juncture, we shall be prevented from exercising the remainder of them at some future time? My common-sense tells me that such a contention is wrong. Even a declaration in the Bill that we were exercising the whole of our powers, when we were exercising less than the whole, would not prevent a subsequent exercise of the remainder. Nothing but the voice of the people, as provided by the Constitution, can take away power already given. Therefore, I do not agree with the honorable and learned member, that we can be injured by any inference drawn from the exercise by us of a part of our powers. I am of opinion that, if the amendment became law, it would be mischievous, and would cause friction between the Commonwealth and the Governments of the States. The States would resent being bound by it, and trouble, and even worse, might result. I am not one of those who wish to take away powers from the States. I would not take from them any power, unless its exercise by the Commonwealth was necessary to secure the absolute good of the people of Australia. I would neither annoy them by pin pricks, by the taking away of one small power after another, nor by taking over at once every power that the Constitution has given to us; I would take only such powers as were required to be exercised in the interests of the Commonwealth. I wish to do nothing which would infer that the Governments of the States are in any way subservient or inferior to that of the Commonwealth, or that they have sustained any loss of power other than that expressly surrendered by them. I would rather let them be the aggressors. It was the policy of the late Prime Minister, as it is that of the honorable and learned gentleman now at the head of the Government, never to be the aggressor in the case of any friction between the States and the Commonwealth, if it could be avoided. Both those honorable and learned gentlemen believe that

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as time goes on the Federal spirit will grow, and the dissatisfaction of these early days will gradually melt away. That is statesmanship which I am sure will bear good fruit. But if we at once assume all our powers, whether we want them or not, and if we attempt to take from them the control of their servants, I fear what the result may be. I know how I should have felt if, when I was Premier of Western Australia, such a thing had been attempted. I should have resisted it to the utmost—by every constitutional means at my command. I should have considered what is now proposed by the Labour Party a great wrong, and a breach of faith to the States; and that is how I believe the people of the States will now view it. Until last year the idea never entered the mind of any one that the exercise of a power in this direction would ever be proposed, much less that the proposal would cause the retirement of the Government. But even if we have the power—which I deny—I would regard its exercise as inexpedient at the present time. I come now to the last portion of my address, which I shall devote to a consideration of the necessity for the amendment. If my friends of the Labour Party succeed to the Treasury benches, I hope I shall not be an ungenerous opponent, and that the good fellowship which has existed between us and them will continue. I hope that it may be said of us all in the future that we never let our public controversies interfere with our private friendships. I make these remarks because I have some hard things to say. In the first place, I think that the members of the Labour Party have not treated the Government and the Prime Minister well.

Mr. FISHER.—We have tried to do so.

Sir JOHN FORREST.—I do not know what could be done to the Prime Minister to make him act ungenerously or unkindly.

Mr. FISHER.—He is a gentleman in word and deed.

Sir JOHN FORREST.—He seems to me to be willing to help those who are attacking him. That is not my way. I attack those who attack me. The words of the members of the Labour Party do not coincide with their acts. They are fair spoken and full of good sentiments, and seem to overflow with goodfellowship. But their caucus is their master. I said to a friend of mine, whom I see in this chamber now—"You are a good man, and I am

a friend of yours. I should like very much to help to secure your re-election, because I believe that you are fit to represent your electoral division in the Commonwealth; but the trouble is that as a member of the Labour Party you are bound by the caucus. You may urge your own views to the utmost. But when the mandate of the majority has gone forth, you must bow your head as the Emperor Henry IV. bowed his before Pope Gregory VII. at Canossa."

Mr. WEBSTER.—Is not the right honorable gentleman bound by the decisions of the Cabinet?

Sir JOHN FORREST.—I can leave the Cabinet directly I find myself at variance with its members, and yet retain my seat in this House; but a member of the Labour Party who votes against the caucus on a matter included in the platform of the party must resign his seat.

Mr. FISHER.—The right honorable member is positively wrong.

Sir JOHN FORREST.—A member of the Labour Party who voted against the caucus would have to resign his seat, or he could not again hold up his head among his fellows, he having pledged himself as a member of the party to be bound by the caucus.

Mr. RONALD.—The members of the Labour Party are as free as is the right honorable member.

Sir JOHN FORREST.—No; they have pledged themselves. They have to sign a certain pledge before they even go before their constituents for election.

Mr. FISHER.—That is not so.

Sir JOHN FORREST.—When they present themselves for election they undertake to conform to the platform of the party or resign. When the first Parliament met it was apparent to all that the Government could carry on only with the assistance of the Labour Party, or of the members of the Opposition. We know what happened. The Opposition moved a vote of want of confidence in the Government. But the members of the Labour Party gave us a general support.

Mr. McDONALD.—No; the party was divided upon that occasion.

Sir JOHN FORREST.—On several occasions the Government could not have carried on without the assistance of the Labour Party, while, on other occasions we could not have carried on without the assistance of the members of the Opposition.

Mr. McDONALD.—When the direct exclusion of undesirable aliens was proposed,

the Government was saved by the Opposition.

Sir JOHN FORREST.—Yes; and again, in connexion with the Naval Agreement. On that occasion the caucus was brought into requisition, although it was not a specified item of the platform of the Labour Party, and every member of the Labour Party voted against the Government. Without the controlling power of the caucus, some twenty-five members of Parliament would never have been got to vote together, which proves my contention as to its power and domination. It would be a good thing for the Government if our supporters were bound by a caucus decision. I would put the screw on a few of them in the impending division. I acknowledge that the members of the Labour Party have assisted the Government on several occasions, and we have assisted them so far as we could, consistently with our duty to the people, and in harmony with our convictions.

Mr. McDONALD.—The same thing might be said of the members of the Labour Party.

Sir JOHN FORREST.—The members of the Labour Party wanted certain measures very badly, and we did our best, consistently with our duty to the country, to give them those measures.

Mr. McDONALD.—The Government believed in them.

Sir JOHN FORREST.—Yes, though I do not think that a generous remark. I remember a poor newspaper writer, who fought a newspaper battle for a certain important person, and gained a victory, or, at any rate, was of great assistance in bringing it about. When the poor fellow went to the person whom he had assisted, and said, "I wrote all those leading articles, and fought hard for you, and you are now out of the wood. I am very hard up; can you help me?" the person for whom he had done all this work turned round upon him and said, "I trust that in all you did, you did what you thought was right." That incident reminds me of the attitude of my honorable friend, who says, "I hope that you did it only because you thought it was right to assist us." I do not think that is a generous remark. There is an inclination on the part of every good man to help those who help him. There is no doubt that the Labour Party and the Government have worked together to a large extent, and there is no doubt that the Government have been very much blamed in consequence. We have had to

put up with reproaches from one end of Australia to the other, and in Western Australia a good deal of blame has been placed upon my shoulders on the same account.

Mr. HIGGINS.—In Bunbury?

Sir JOHN FORREST.—Yes, at Bunbury, a far better place than that from which the honorable and learned member came. It has been said that we have assisted the Labour Party too much, that in fact, we have been dragged along at their heels. I deny that. We have been improperly blamed, but that does not alter the fact to which I am about to refer. Every honorable member belonging to the Labour Party will acknowledge that it has been said that the Government have helped them in passing the measures which they desired, that in fact it has been said that we have been almost tools in their hands.

Mr. FISHER.—We did not desire that.

Sir JOHN FORREST.—So far as my experience guides me, the policy of the Labour Party has been—and I say it with very great regret—to take everything they could get, and to give very little back in return.

Mr. McDONALD.—Did they ever try to squeeze the Minister?

Sir JOHN FORREST.—I believe that they would squeeze anybody if they could, and I do not blame them. I would do the same myself in an open and proper manner. The Labour Party would do the same.

Mr. McDONALD.—Did the Labour Party ever attempt to squeeze the Government?

Sir JOHN FORREST.—I have not occupied the position of Prime Minister, and I am not going to answer for my leader; but I think that the Labour Party have urged for the utmost consideration on many occasions.

Mr. DEAKIN.—Not in my time.

Sir JOHN FORREST.—I do not say it offensively; but I contend that the Labour Party have tried to get everything they could in the direction of carrying out their policy.

Mr. McDONALD.—Did they ever try to bring any pressure to bear upon the Government at any time?

Sir JOHN FORREST.—Well, we put certain measures in the forefront of our programme. Are the Arbitration Bill and the Navigation Bill of such great urgency that the people are languishing and longing for them? If not, why were they placed in

such a prominent position? Because we believed that they were beneficent measures and would assist those who were helping us. Notwithstanding all this, the Labour Party, for which we have done a good deal on several occasions, are determined to defeat us, saying at the same time—"We are terribly sorry over this; we wish that this was not happening; cannot we find any way out of it?"

Mr. FISHER.—That is ungenerous.

Sir JOHN FORREST.—I do not think so. What did the Labour Party do at the last elections? They did not treat us as well as we treated them. They opposed some of our most trusted supporters. They brought out a candidate against my honorable colleague the Postmaster-General, and they also brought opposition to bear in the case of the honorable member for Melbourne Ports, who has always supported their policy.

Mr. TUDOR.—Government supporters opposed labour candidates.

Mr. RONALD.—A Government supporter opposed me.

Sir JOHN FORREST.—Not at our suggestion, I think. I know that so far as Western Australia was concerned, although I was assisting two candidates for the Senate, I never said one word against the Labour Party, beyond that I considered that they were not entitled to the whole of the representation in that branch of the Legislature. I never said that as a party they were not entitled to consideration. The honorable member for Fremantle and the honorable member for Perth know very well that, if I had considered it necessary, I might have done a great deal more by way of opposition to the labour candidates. I felt however, that I was in a difficult position. I felt that the Labour Party in this House had often given the Government a good support, although I was not content to allow them to obtain all the seats in the Senate without opposition.

Mr. THOMAS.—They did not run any one against the right honorable gentleman.

Sir JOHN FORREST.—I am not speaking about myself. The Labour Party opposed supporters of the Government, such as the member for Melbourne Ports, who never voted against them; and they showed an utter lack of sympathy with the Government in opposing the Postmaster-General. The Labour Party, however, considered that they had done so much for

the Government that their candidates should not be opposed by us. At the beginning of the session we introduced two Bills, viz., the Arbitration Bill and the Navigation Bill. I do not mean to say that I agreed with all their provisions; but still I got the best I could in the interests of the State I represent, and to meet my own views. The measures were introduced at the opening of the session, in fulfilment of a pledge to the country; and I think there was an understanding with the Labour Party that they should be introduced immediately. The Labour Party were very urgent about these measures, and several times pressed for their introduction. They were informed by the Prime Minister that the preparation of the Bills was going on as quickly as possible; and in this respect every endeavour was made by the Government to meet the wishes of the Labour Party. As a plea of urgency it was even suggested that there might be a strike amongst the seamen or the shearers if the Arbitration Bill were not immediately passed; in fact, the Government were urged to lay these two measures on the table as the most momentous in the politics of the Commonwealth, and they were introduced as soon as possible. But what have we been hurrying for, I should like to know? We have been very foolish—we should have taken another month in which to finally settle the Bills now before us. What is the result of our expedition? We have been hurrying to our doom, urged along by the Labour Party, who are now ready to be our executioners. If ever a Government ought to say, "Save us from our friends," surely it is this Government.

Mr. JOHNSON. — Gratitude is not their strong point.

Sir JOHN FORREST.—I do not want gratitude, but only fair play.

Mr. WILKS.—The right honorable gentleman wants votes.

Sir JOHN FORREST. — I do not put the position in that rough way — I want the support of good men. I now desire to submit some questions, the first of which is—have the public servants of the States of Australia urged this measure in their own interest?

Mr. RONALD.—Yes.

Sir JOHN FORREST.—Have the States servants urged this measure all over Australia?

Mr. O'MALLEY.—Yes.

Sir JOHN FORREST.—I want some evidence on that point. I cannot take notice

of what people write to one private individual, but I do take notice of the press, and of public meetings in Australia; and I have not found, except on very few occasions indeed, the States public servants demanding, in any way, to be brought under the operation of a Bill of this kind.

Mr. RONALD.—The States public servants voted for candidates who advocated this measure.

Mr. GROOM.—We have the power to pass such legislation.

Sir JOHN FORREST.—I am not arguing the point with the honorable and learned member for Darling Downs, whom I have already told that I should oppose a proposal to include States public servants, even if we had the power under the Constitution to include them. I would say, next, that it has not been pointed out to us by any one of the speakers that if a law of the kind were in operation it would be useful or be used. True, there was a maritime strike of 1890 to which such a law might have applied; but as to the last ten years no attempt has been made to show that a law of the kind, if in existence, would have been used or have been useful.

Mr. HUTCHISON. — It would have been used in the case of the shearers last year.

Mr. RONALD.—It would have been resorted to by the Victorian railway men last year.

Sir JOHN FORREST.—Would it have been possible to apply a law of the kind in the case of the Victorian railway strike, to which such repeated reference has been made? What was that dispute? The dispute arose over an alleged improper order given in reference to what associations the railway men should belong — the question being whether they should or should not affiliate with the Trades Hall.

Mr. FISHER.—Or with the Melbourne Club.

The CHAIRMAN.—During the last ten minutes I have repeatedly called for order, and requested honorable members not to interject. If honorable members continue to interject, I shall ask the leader of the House to assist me in keeping order.

Sir JOHN FORREST.—It has not been shown that had a law of this kind been in existence the railway servants of Victoria could have taken advantage of it, so that the alleged improper order might have been dealt with by the Court. We know, however,

that the Bill applies only to disputes extending beyond the limits of any one State, so that, according to the Constitution, a law of the kind would have been of no use whatever in the case of the Victorian railway strike. The leader of the Opposition has said that even in his imagination he cannot find any case, except that of the shearers and that of the seamen, to which the Bill could be applied. What is the use of carrying a law, and creating annoyance and friction in the States, if the law is not going to be effective? Is the amendment of such importance that all the provisions of the Bill which are alleged to be so beneficent—such, for instance, as those which provide for the shearers, and, with their corollary, the Navigation Bill, for the seamen—should be destroyed—destroyed for an amendment which no one has yet been able to show could have been applied in any case which has yet arisen? It is impossible for any of us to look into the future. The Labour Party have the ball at their feet now, with the chance of passing these two Bills, as introduced by the Prime Minister. If the present chance be thrown away no one can tell when these Bills will be passed; yet there is a willingness to throw all away in order to carry out the Quixotic idea contained in the amendment. There is a willingness to sacrifice not only the seamen and shearers, but also the Prime Minister, who is said to be so esteemed by the Labour Party. If the Bill is so urgently needed, if it is so beneficent in its objects, as I believe it is, what does common-sense say to me, to honorable members opposite, and to the Labour Party? Common-sense says that if the Labour Party are really in earnest, if they do not prefer political trouble to a beneficent law, their course is to get the measure passed in a shape in which it can be passed, and, later on, if they want anything more, to get that too if they can. Surely that is common-sense, but—apparently out of “pure cussedness”—they are willing to sacrifice the whole lot, like the dog which grasped at the shadow, and lost the substance. That is not business. It is not common-sense. This action does not seem to me to be that of men who are really in earnest, and want this Bill passed. They do not seem to care twopence about the seamen and the shearers. They seem to desire something which we will not give them, and which, when it has been obtained, will be of no use to them. They cannot deny the premises which I have

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placed before them. All that they really want to provide in the Bill is that it shall apply to those disputes which overflow from one State to another, such as a seamen's strike or a shearers' strike. I cannot think of any other disputes, but if there had been any, they would no doubt have occurred to the minds of the members of the Labour Party. They can get all that they want from the Bill which the Prime Minister has introduced, but still they want something more. They want that which we say is unconstitutional, that which we say should not be given in any case at the present time, even if it were constitutional, and that which will be of no use to them when it is obtained. They cannot mention a single case in which the proposed power could be used. If they can, why has it not been mentioned to the House? To what cases could it be applied? They cannot cite one case. The case of the railway strike in Victoria has only to be mentioned to be dismissed from our consideration. It would not apply to a case of that kind. I am therefore justified in saying that the Prime Minister has not been well treated. The Labour Party have said to my honorable, my generous friend—and no more generous man will they ever have to deal with—“Unless we get everything that we want, out you go.” Like Shylock in the play, they want the exact pound of flesh. I appeal to honorable members as generous men, as men who are rubbing shoulders with men of the world every day, to say whether that is the way in which to treat those who, to say the least of it, have not been unmindful of the interests of the Labour Party or of any other section of the House.

Mr. JOSEPH COOK.—Does not the Minister wish that he had never done it?

Sir JOHN FORREST.—No; I reserve that sort of remorse for the honorable member. It goes without saying that we who have been in public life for so many years are not anxious to promote, or assist in promoting, any division in this House, or any crisis. We wish to continue the work upon which we are engaged, but only with honour. When we are asked to take a course which we think is unconstitutional, and which, if not unconstitutional, is inexpedient and unnecessary—a course which we think would strike at the very root of the self-governing powers of the States—we cannot consent to be influenced by any personal considerations. I rejoice that I have as my leader one who has never wavered with regard to his

pledges on this matter. I rejoice that we stand here to-day true to the principles which we enunciated, and to the pledges which we gave; and when the time comes, as it will come perhaps in a few hours, for others to take our places on these benches—feeling, as I do, that the course of conduct which I have followed is not only that laid down by the Constitution, not only that which is in the interest of Australia and of the States, but is in accordance with my own conscience and with what I think is right, I shall, in taking my seat on the Opposition benches, have the satisfaction of feeling that I have tried to do my duty.

Mr. WILKS (Dalley).—Whatever hazy opinion you, sir, may have formed in the early part of this debate as to the fate of the Government, neither you nor any one else could do otherwise than compliment the Minister for Home Affairs; because he has thrown aside the guise, and has been fighting every inch of the road for the Ministry. He has taken the gloves off, and his position is a very easy one to define. He requires no new faces at the window; he prefers the old faces at the window. He grumbles at the line of attack, at the weapons which are used. The Prime Minister picked the weapons, and to-night his honorable colleague, in that manly way of his, has tried by every possible means to attract the support of honorable members to the Government. He travelled along the road of an injured Ministry; he travelled along the road of a Ministry which, he said, has done very much good. He got into conflict with the Labour Party, and, under cover of the situation, he asked us to look to the care of his privileges, and to support the Prime Minister, neglecting to tell the people the principal issue at the present time. The struggle over this Arbitration Bill is not a war of to-day. It is a war dating from the last general election. The Minister for Home Affairs has indicated those whom he regards as the executioners of the Ministry. The real executioners of the Ministry are the electors. The Prime Minister in his Ballarat speech, and in all his speeches throughout Australia, presented this issue to the electors. The Parliament chosen by those electors has not given him a majority. Therefore the people of Australia are the executioners of the Government. But certainly the Minister for Home Affairs has fearlessly fought for the maintenance of the present Government in power. He has taken the gloves off.

He asks us to believe that this is merely a Victorian storm. He says that many of those who will vote against the Government will do so because the issue is purely Victorian. Of course, he alludes to the recent railway strike. We are aware that Sir Edmund Barton, of whose Ministry the present Government is simply a remnant, said, in reply to Mr. Irvine, then Premier of Victoria, that he was unfavorable to including the civil servants. That position was accepted. Now the Prime Minister takes up the cudgels in behalf of a similar policy. From whom do the Ministry look for support in this crisis? They look for support from members like the honorable member for Echuca, who said to-night that the Victorian authorities would not arm any outside power against the Railway Commissioners of the State, and would resist taking from the Commissioners control over their employés. The Minister for Home Affairs poses as the custodian of States rights and of the autonomous powers of the States. But what did he say at the Federal Convention, when he was advocating the power of the Federal Parliament to make laws with regard to conciliation and arbitration? He there put it that he supported the sub-section, because the Federal Parliament would be better able to deal with the subject, and would deal with it far more satisfactorily than the local Parliaments would be likely to do. But to-night the right honorable gentleman appears to take the exactly opposite view. The connexion of the Government with this question has been historical from the beginning. In the first instance, they lost one of their most powerful Ministers—the Right Honorable C. C. Kingston—who resigned on what some of his friends considered a matter of detail. But, to-night, the Minister for Home Affairs, in powerful language, and with dramatic effect, leads us to believe that he does not believe in the measure at all. One Minister leaves the Cabinet on what was called a question of detail, whilst the other clings to the Government in violence to his own feelings. He fights this battle from the point of view of clinging to office and keeping his party in power. I say that, because, as the Minister likes plain speaking on his own part, he must expect it in return. If the constitutionality of the amendment were the only matter in dispute there would be very little to trouble the Committee. I like to hear the legal members arguing questions of this sort, but

I would remind them that, whatever their opinions may be, it is the High Court that in the last resort must decide the questions at issue. We have specially appointed a High Court to decide matters of this kind. I should like to offer a few comments upon the attitude of the Prime Minister in regard to this question. He said, on 4th September, 1903, in this House—

My own view was that industrial legislation should be left wholly in the hands of the States until the Federal Parliament assumed this power, as it has a right to assume certain other powers, under the Constitution, and that after it had assumed responsibility the industrial legislation for the whole Commonwealth should be in the hands of the Federal Legislature.

In that passage the Prime Minister tells us that he thought that the whole matter of conciliation and arbitration should be placed in the hands of the Federal Legislature. He does not refer merely to disputes existing beyond a State, but to disputes generally. So that there may be no mistake about this matter, I will quote another passage. I find that a little further on, in the same debate, the honorable member for North Sydney interjected—

The honorable and learned gentleman has admitted that he does not know with what authority this Parliament has been endowed.

The Prime Minister replied as follows:—

No. I admit that the provision of the Constitution is ambiguous, and will be subject to review by the High Court; but there is no doubt that it gives authority, whatever interpretation is placed upon it, for all, and more than all, that is provided for in the Bill.

What, in plain language, does that mean? The only interpretation is this: The Prime Minister tells us that the Constitution provides for "all and more than all" that is provided for in the Conciliation and Arbitration Bill. The phrase "more than all" simply means "in regard to matters affecting State civil servants." If disputes between master and man are already included under the Bill, there is only one other kind of dispute that can be meant, and that is a dispute between the employes of a State and their employer. That is to say, twelve months ago the Prime Minister thought that the Parliament of the Commonwealth had absolute control in regard to industrial affairs relating to disputes extending beyond the limits of any one State. We are not interfering in local struggles. We are only attempting to interfere in disputes extending beyond a State. But the Prime Minister tells us now that he thought that the intention was

to apply the provisions of the Commonwealth Act to such disputes as the maritime disputes or the shearers' dispute. If he will look to his own reported remark, he will find that, in answer to the honorable and learned member for Angas, who moved an amendment, the intention of which was to limit the measure to maritime and shearers' strikes, the Prime Minister made a most powerful speech against the limitation, and said that the Bill was to comprehend all disputes of an industrial character. The Prime Minister said yesterday—

The strong ground on which the argument I propose to maintain is based is that nowhere in the Constitution can honorable members discover an indication that it was the intention of its framers, or the intention of those who adopted it on the exposition of its framers, to include State servants of any class.

The honorable gentleman asked what was the intention of the framers of our Constitution; but, from his own utterances, we are aware that his opinions have grown since 1891. He also declared that those who supported the proposed amendment were advocates of unification, whilst those who opposed it were pure merino Federalists. I can quite understand any honorable member who is antagonistic to the principle of compulsory conciliation and arbitration being opposed to the inclusion within the four corners of this measure of the public servants of the Commonwealth and of the States. But I cannot understand any one who is prepared to allow the relations between masters and employes to be regulated by a tribunal constituted for that purpose, adopting that attitude. Personally I believe in making the Bill applicable to all workers, or to none. If the legislation proposed is bad for our public servants, it is undoubtedly bad for private employes. The honorable and learned member for Bendigo declared that the great argument against the proposal of the honorable member for Wide Bay was that the Commonwealth had no power to enforce any award given by the Arbitration Court against a State. But I would remind him that the same remark is equally applicable to the High Court. We have no power to enforce a judgment of that tribunal as against any State. Nevertheless, we know that any judgment which was given by the High Court would be respected. Similarly, no State would repudiate the awards made by a Federal Arbitration Court, the establishment of which is contemplated under this Bill. Again, the Prime Minister

appealed to us to support the amendment on the ground that at the time of the referendum the people of Australia did not vote in favour of this power being handed over to the Federal authorities. But I would ask, "Did the electors as a whole consider the effect of what are commonly known as 'the thirty-nine articles'?" Most unquestionably they did not. They accepted the Constitution upon trust, and out of respect for the public men who recommended it. It is somewhat significant that to-day those men do not defend the instrument of government with the same vigour as they did then. Prior to the referendum being taken, our Constitution was represented to be absolutely perfect. To-day, it is admitted that in many portions its interpretation is doubtful, and that it was necessary to create a High Court to construe its provisions. What man, I would ask, in voting either for or against that Constitution, was influenced in his action by such a provision as the following?—

The service and execution throughout the Commonwealth of the civil and criminal process and the judgments of the Courts of the States.

I use that sub-section as an argument against those who urge that the electors of Australia voted for the Constitution as it now stands. When before the electors I clearly placed before them my views in regard to the extension of this Bill to the public servants of the States. It is idle to say that the Government are to be turned out of office by a vote on a question which was not put before the people at the recent general elections. We are fresh from the elections, and we know that the Prime Minister in his Ballarat speech indicated in the plainest terms the position which he proposed to take up in regard to this proposition. The honorable and learned gentleman must therefore recognise that the question was considered by the people and that those who support the amendment will vote in accordance with the views expressed by them when last before the electors. I informed my constituents that so far as this question was concerned I did not share the opinion of my right honorable leader, and I clearly ascertained their will in reference to it. Those who are opposed to the principle of compulsory arbitration must naturally be opposed to the extension of this Bill to the public servants of the States; but I am utterly at a loss to understand why any distinction should be made between railway employés and other States

officials. If it is right to extend the operation of the Bill to the railway employés of the States it is right that the public servants generally should be brought under it, and if it is wrong to extend the measure to the public servants generally it is wrong to extend it to the railway employés of the States. It may be said that the railway employés by means of their organizations have expressed a desire to be brought within the operation of the Bill, while the remaining members of the Public Service have not done so. That, however, does not prove the justice of the contention put forward by some honorable members that the Bill should not be extended to all branches of the Public Service. It shows merely a desire to recognise organization. If the Bill were extended to only the railway employés of the States, officials in the great public services associated with trade would be excluded. By far the largest section of the public servants of Australia is employed in the Postal and Telegraph Department, and if the amendment were negatived, they would not be brought under the Bill. It is singular that we should object to give a Federal Arbitration Court power over our own servants. Opponents of the amendment assert that it would, if carried, strike a blow at the root of the Federal principle, but I have yet to learn that such would be its effect. If the great body of the people are prepared for the introduction of a system of compulsory arbitration, so far as persons in private employment are concerned, they must also be in favour of the extension of the principle to public servants. Masters and men outside the service must recognise that what is good for themselves must be good for the Public Service. Why should members of the Public Service be treated differently in this respect from persons in private employment? The servants of the States are citizens of the Commonwealth, and have a right to be considered. There are some interesting distinctions drawn between a citizen of the Commonwealth and a citizen of the States. If I take a walk down one of our public thoroughfares I perhaps meet the Treasurer, who says that as a citizen of the State he owns a brick in the General Post Office, but is afraid that Sir George Turner, as a citizen of the Commonwealth, may endeavour to take that brick away from him. Too much importance is attached to the distinction between States and Commonwealth rights. If the people of Australia have confidence in the Federal Parliament,

and consider that it can legislate for the country far more effectually and economically than can the States Parliaments, it will not be long before we shall hear a demand for increased powers, so far as the Commonwealth is concerned. There is, after all, nothing so terrible in the much-dreaded march towards unification. If the Federal Parliament proves that it is better able to manage the affairs of the States than are the individual States Parliaments, there is not likely to be any desire on the part of the people to cling to a fetish. On the contrary, they will boldly undertake the work of reform. It is said that, if the attitude taken up by the Government is not supported by the majority of honorable members, a vital blow will be struck at the Constitutions of the States. But what we have, to consider is the will of the people themselves. I can well understand the desire of the Minister for Home Affairs that there should be only two parties in this House; but I do not altogether appreciate the attitude taken up by him. It appears to me that the question of whether or not the Bill shall extend to public servants, is not the only one at issue. The real point is whether there should be more than two parties in this House. If the public servants of Australia find themselves in a satisfactory position, they will not have recourse to a provision of this kind; but if they have reason to complain they will be glad to avail themselves of it. I rather welcome the present position, because it will help to clear the political atmosphere. There are members on both sides of the House with conservative leanings, while there are others outside the Labour Party who have radical tendencies. I should like to see the Radicals and Liberals come together, so that we may have only two parties in this House. Such a combination would be desirable in the interests of the public life of Australia. Why should I vote for any principle in which I do not believe merely to save a Government which might hereafter bring about a combination that would not meet with the approval of my constituents? The people require to see some stability associated with the public life of Australia. They are not greatly concerned about the constitutionality of this proposal, for they know they possess the machinery to protect their rights, and that behind that machinery is the common-sense of Australia. Those who desire to see an alteration brought about, so far as the

number of parties in this House is concerned, should endeavour to secure it in a proper way. Do not let the majority be absorbed by a powerful minority. If the Labour Party feel that they are within their rights in making a change in the political machinery of the past, they are quite justified in seeking to give effect to their views. I feel satisfied that, so far as this amendment is concerned, there is far more at issue than the question whether the Bill should extend to public servants. The action of the Government must be deemed to be deliberate, because it has been continued for some months. They have been aware of the way in which the political compass has been setting, because they have themselves been directing it in that way for their own purposes. The Prime Minister is apparently resigning his position in a dignified manner. The honorable and learned gentleman held the high position of Attorney-General in the Barton Ministry, which the right honorable member for Adelaide left upon this very issue. That right honorable gentleman has been consistent in the line of conduct he has followed, and all the more honour to him for it. The question under discussion has been voted upon at a general election, and cannot be said to be one which has been sprung upon the Government. The representatives of the people in this House know the decision of the electors upon the question. Personally, I believe in the inclusion of the Public Service within the scope of this Bill, and I shall, therefore, support the amendment. I point out that any Ministry which takes the place of the present Administration will have to deal with this question sooner or later, and must engage in a contest upon it. If those who support the inclusion of the Public Service are defeated, that section of the community will be left out of the operation of the Bill; and it is that consideration which will regulate my vote in the coming division. I have listened attentively to all the speeches which have been made, and I have heard no argument to induce me to refuse to support the amendment. It is the contention of those supporting the Government that the States should be allowed to deal with matters of local concern; but once we take the step of providing Courts of Conciliation and Arbitration for the benefits of employers and employes, I can see no good reason for depriving the public servants of the benefit of such legislation. In the year 1891 the present Prime Minister was prepared to confer the advantages of

such legislation upon the maritime worker, and in 1904 he is prepared to extend the operation of such a measure to all but civil servants. In thirteen years the honorable and learned gentleman has marched thus far, and it is not a very great step further to include civil servants. I see no infringement of the powers of the States Governments in what is proposed, because I believe the Federal Parliament is invested with the power to carry this legislation. I can understand Victorian representatives opposing the amendment, because it affects what has been a Victorian sore, and they are taking the view which some Victorian electors have taken of the railway strike which occurred in this State. It is not my business to dwell upon that, but I refer to it as a matter which strongly influences Victorian representatives. I believe that the promise made by Sir Edmund Barton has been accepted by the present Prime Minister. Sir Edmund Barton promised Mr. Irvine that his Government would not include the public servants in this legislation, and I believe that, if that promise had not been made, the present Ministry would have freely granted the request for their inclusion. They have had the choice of weapons, and if they have chosen a weapon which will bring about their defeat, that is their business, and not mine. I shall have no regret in casting my vote, though it may assist to defeat the present Ministry, but I hope that it will bring about the formation of a Government who will be prepared to include public servants in the operation of a Conciliation and Arbitration Bill, because I believe such a course would be beneficial and to the interests of the country.

Mr. WILKINSON (Moreton).—I do not intend to address myself to the constitutional aspect of this question, because we have had a fairly good exposition of it from the trained legal minds of the Committee, and it would be presumptuous for a layman like myself to offer an opinion upon it. I have, however, carefully listened to the arguments *pro* and *con.*, and I must confess that if I were inclined to move from the position which I took up when the Bill was before last Parliament, it would be in the direction of supporting the amendment now before the Committee. When the matter was last discussed I opposed the proposal to include all State and Commonwealth public servants in the Bill, whilst I supported the inclusion of the States railway servants, and I intend to adhere to that position now. It is not that I think

we have no justification for including all State and Commonwealth public servants, but that I feel that at the present juncture some little allowance should be made on the score of expediency. The Prime Minister, in dealing with the railway services of the States, stated that he could not imagine a set of circumstances which would occasion the extension of a strike of railway employes beyond the limits of one State. My opinion is that the late Victorian railway strike, which has been cited on many occasions during the present debate, was within an ace of extending beyond the borders of the State. Very little would have been required to bring both the South Australian and the New South Wales engine-drivers and firemen into the dispute. The engine-drivers, firemen, and cleaners have unions in their particular States, and they are also members of a federated union, and had the Government of Victoria brought influence to bear upon the Government of South Australia, and had the South Australian railway men been asked to continue the running of the trains from Adelaide to Melbourne beyond the South Australian border, I am convinced that they would have refused duty, and the strike would have extended to South Australia. It has been argued that, although it may be constitutional to apply the provisions of this measure to States servants, it would at the present time be inexpedient to interfere in their administration of their own affairs. But, as I understand it, the amendment does not provide for interference by the Commonwealth in the administration of States Departments. It is only when a dispute has extended beyond the borders of a State that it will operate at all, and once that happens it ceases to be a State matter, and becomes a national affair, in regard to which a Commonwealth tribunal is justified in interfering. We have, as the honorable member for Echuca has intimated, to consider the taxpayers when dealing with a measure of this kind, but those of us who are acquainted with the effects of the Victorian strike know how the producing and distributing interests of this State suffered because of the interruption of the carriage of commodities over the railways of the State which occurred during that period of confusion and disorganization. If such a state of things extended beyond one State into another, or throughout the Commonwealth, it would bring about loss compared with which the slight extra taxation

that might be necessary to enable the Railway Commissioners, or others administering the Railway Departments of the States, to pay increased wages in compliance with an award of the Commonwealth Arbitration Court would be a mere bagatelle. The true function of our Railway Departments is often lost sight of by those who contend that they should be managed purely as commercial concerns. Australia is in the unfortunate position of having no large navigable rivers flowing from the interior to the coast, and, in the absence of these natural highways, we have to provide artificial substitutes in the shape of railways. Railways are the national highways of this country, and are necessary for the development of its interior. Anything that would interfere with the continuous exchange of productions and commodities between the interior and the coast would seriously impede the development of our country. Those who oppose the Bill, lock, stock and barrel, say that whilst there may be some reason for applying such a measure to disputes between private employers and employes, there is no reason for applying it to disputes between the Governments of the States or of the Commonwealth and their employes, since the latter never come into competition with the general public. I deny the truth of that statement. In almost every State there are railway workshops, in which locomotives, carriages, waggons, and rolling-stock generally are constructed; while similar work is also undertaken for the States by private manufacturers. In the States workshops are to be found fitters, blacksmiths, carriage builders, boiler-smiths, upholsterers and tradesmen of almost every kind, while men belonging to the same trades are also found in the private workshops. It would be unjust to compel private manufacturers of rolling-stock to submit to the direction of the Arbitration Court as to wages and hours of work, whilst permitting the Railway Commissioners to work their men as long as they chose, and to pay any rate of wages they liked. Such a condition of affairs would render it impossible for private employers to compete with the Government works. This is an argument which I think should appeal to those who are opposed to socialistic legislation of any kind. We have heard a good deal regarding the advantages of private enterprise, and the fact that fair competition is the soul of business, and yet it

appears to me that if we were to exclude railway employes from the scope of the Bill, we should bring about unfair competition between the State institutions and those of a similar character conducted by private enterprise. We can carry the contrast a little further. In nearly all the States railway construction is being carried on by means of day labour under direct State supervision. In some cases, however, railway lines are being built by private contractors. Is it contended that the private contractor should be subject to the direction of the Arbitration Court as to the wages which he should pay his navvies, whilst the State is to be free to pay any rate of wages it likes? If so, the State will be placed at a great advantage, and the results of their operations will afford the strongest arguments in favour of the day-labour system as compared with the construction of railways by private contract. The honorable member for Gippsland, to whose utterances great weight is deservedly attached, referred to the fact that the public servants of the States were very favorably situated as compared with persons in private employment, owing to their security of tenure; and the large number of applicants for employment, particularly in the Railway Department, was mentioned as testifying to the attractions of State employment. I would point out, however, that there are hundreds of applicants for every job that may be offering. Therefore, the fact that hundreds, or perhaps thousands, of persons are trying to secure positions in the States services only tends to show the great stress of the times upon the working population. Honorable members can bear me out when I say that one of the most trying ordeals through which we now have to pass is that to which we are subjected in dealing with the applications made to us by persons who are seeking work, and whom we are not in a position to help in that regard. Hundreds come where only one is required. But this condition of things is not confined to public Departments, it is the same with respect to private employment. Honorable members who have work to offer could tell us that their difficulty is not to find hands, but to choose those they require from the many unfortunates who are seeking work. As I have previously remarked, the extension of a dispute beyond the borders of any one State would bring it under the consideration of any Court or tribunal which might be set up by the National Legislature. It has

been argued that such disputes could only occur in connexion with the seamen's or shearers' unions, but I do not share that view. For years past annual conferences of railway officers and Railway Commissioners have been held, and one such meeting was concluded in Sydney only yesterday. The attention of the railway officials at these gatherings is not directed only to such subjects as the best way in which railway lines can be constructed, the most suitable gauge to adopt, or the best form of cattle truck, but the hours of labour and the conditions of work generally enter into consideration. The Conference recently held is to be followed by a meeting of Railway Commissioners, and there is no doubt that the general tendency at present is to, as far as possible, assimilate the conditions of work and wages in all the States. What will be the result? It has been stated that private employers are more likely than are public officers to impose harsh conditions upon workmen, because private employers are seeking their own profit, while public officers are not. Our experience, however, is that the Railway Commissioners are interested in endeavouring to work their Departments as cheaply as possible. Although they may not be so directly concerned as are private employers in economical working, we know that the transfer of the control of the railways to Commissioners, so far from having improved the position of the railway employes, has had the reverse effect. I do not argue that railway servants should be brought within the scope of the Bill, because the railways have been placed under the control of Commissioners. I recognise that this delegation of control does not in any way alter the position of the service as one of the Departments of the State. I believe, however, that the tendency will be to reduce wages down to the lowest plane rather than increase them to the highest standards now in force. I regret to say that the position of railway employes in Queensland is not so favorable, as regards wages, as that of men similarly employed in Victoria. I do not know that in respect to other conditions the Queensland employes are under any special disadvantage. In Victoria the wages paid to railway servants in the locomotive branch are higher than in any other State, but the influences now at work are in the direction, not of raising the wages of the Queensland engine-drivers from the present rate of 12s. per day to the Victorian rate

of 15s. per day, but rather of reducing the 15s. rate down to 12s. On the other hand, the federation formed by the railway employes would use its best endeavours to resist a reduction, and would level up instead of levelling down. Here we have the seeds of dispute at any time. I do not say that there are likely to be extreme developments; I hope there will not. I am not, and never have been, an advocate of strikes; but strikes we shall have so long as they remain the only weapons whereby men may redress their grievances. There are no men more earnest in their endeavour to do away with strikes or locks-out than are those who are advocating the inclusion of railway men within the provisions of the Bill. I suppose no one knows more acutely the suffering and hardships which are endured in times of strikes or locks-out than some of us who are advocating the amendment. Only those who have been through the mill, as some of us have been, know the amount of misery, suffering, and hardship which a strike entails, not on the workmen alone—theirs is the least of the suffering—but on the wives and children, who feel the effects in a much keener degree. And the suffering is not confined to the strikers and their families, but extends to that most useful portion of the community, the producers, who depend on the railways as the only available highways by which to transport their produce to market. A railway strike affects producers to a much greater degree than does a strike in any other industry. If we are justified in saying to private citizens that they shall not disturb the peace of the community or interfere with industry or the means of exchange by any dispute amongst themselves, but shall be compelled to continue work, and refer any difference to a properly appointed tribunal, we are justified in taking a similar attitude towards a State when a dispute, originating in that State, may extend beyond its borders, and affect perhaps a considerable section of the people of the Commonwealth. I do not regard such a contingency in relation to a State as by any means remote. The seeds of a possible strike are already sown, as shown in the fact that there are conferences of Railway Commissioners, and also a federation of engine-drivers, firemen, and cleaners. I go further, and say, as one who knows, that there is a movement on foot to federate associations composed of other classes of railway workers, Traffic employes, as well as the men engaged on the

permanent way, are already discussing the question of federation, and if their ideas be carried into effect there will be a united organization, or united organizations, of railway employés, who will be able to take a common stand. These employés are one to-day in sympathy, and will be one in actual fact to-morrow, prepared to assist each other in claiming what they deem to be their proper rights. I do not say that all that these men demand will be proper and right. That is why we should have a tribunal to decide. The men may ask for too much, and it should remain with the Arbitration Court to say whether their demands are or are not reasonable.

Sir JOHN FORREST.—These men cannot go to the Arbitration Court unless the dispute extends beyond the limits of one State.

Mr. WILKINSON.—I say that where a dispute extends it ceases to be a State affair, and therefore we should not be interfering with the internal administration of a State, but in a dispute which, originating in one State, threatens to disturb the peace and the conditions of industry in the Commonwealth.

Sir JOHN FORREST.—How is a dispute of the kind to overflow into another State?

Mr. WILKINSON.—Before the right honorable gentleman entered the chamber I tried to make that plain to the Committee.

Sir JOHN FORREST.—If the honorable member has made it plain he has done more than anybody else.

Mr. WILKINSON.—I am satisfied in my own mind—just as the right honorable gentleman before dinner was satisfied in his mind as to his own attitude—that the position I take up is the right one. We may not all be equal in analytical power and judgment, but we all have the right to our opinion, and my opinion has not been formed hastily. I spent about eleven years on the foot-plate of a locomotive on the Queensland railways, so that I know of what I am speaking. I was one of those who helped to form the first railway organization in Queensland, and who advocated the federation of the engine-drivers and firemen in this country.

Sir JOHN FORREST.—Tell us how a railway dispute is going to extend beyond one State.

Mr. WILKINSON.—Perhaps the Committee will excuse my repeating some of my remarks? If there were a railway strike in Victoria, and the South Australian

engine-drivers refused to drive the trains from the border to Melbourne, that would, in my opinion, create a dispute extending beyond the borders of one State.

Sir JOHN FORREST.—That is not so.

Mr. WILKINSON.—That is a matter of opinion. Where is the difference between an extension of a dispute of the nature to which I have just referred, and a strike originating, say, amongst the employés of the Adelaide S.S. Co. at Port Adelaide, and extending to wherever ships of that company are in port?

Sir JOHN FORREST.—That is the case of a private company, and not of a Government.

Mr. WILKINSON.—Both are engaged in the carrying trade.

Sir JOHN FORREST.—But a steam-ship company has nothing to do with the Government.

Mr. WILKINSON.—I dealt also with that matter during the right honorable gentleman's absence from the Chamber. I have tried to show that if men employed by the State in fitting, blacksmithing, carriage-building, and so on, are not to come under the Bill, they will enter into unfair competition with those employed by private individuals. It is my misfortune that the right honorable gentleman was not present during the earlier part of my remarks, because I think he would admit that I anticipated a good deal of what he is now calling in question. I should like the Prime Minister, or some one else, to enlighten me as to a phase of this question which has given me a considerable amount of thought. Amongst railway employés we have members of various associations. We have fitters and turners belonging to the Amalgamated Society of Engineers; members of the Boilermakers' Society, and of the Amalgamated Carpenters' Association. If the members of, say, the Amalgamated Society of Engineers did, as they have done before, fix a minimum wage of 10s. 6d. per day in their trade in Victoria, New South Wales, and Queensland, while the Employers' Association attempted to reduce the wage to 10s. or 9s. 6d. per day, and the employers' demand was resisted, not only in one State, but in all, would that not be a dispute extending beyond the borders of any one State? Some of the members of this society are employed in the Government workshops; would an award of the Court that the wages be 10s. 6d. per day apply to those Government servants? Un-

less it did so apply, no union men would be employed in any State workshop.

Mr. DEAKIN.—The pay would probably be as good, or better, in a Government workshop.

Mr. WILKINSON.—My experience is just the reverse. If the Prime Minister looks at the classification sheets of some of the Government Railway Departments, he will find that fitters there are receiving 7s. and 7s. 6d. per day, as against 10s. and 10s. 6d. per day paid in outside workshops.

Mr. DEAKIN.—But have they not permanent occupation, fixed holidays, privilege tickets, and so on?

Mr. WILKINSON.—Yes.

Mr. DEAKIN.—What is the value of them?

Mr. WILKINSON.—In the State workshops of Queensland the highest rate of wages paid to a skilled mechanic as a fitter is 9s. 6d. a day, unless he is a leading hand, and that position, of course, carries with it responsibilities. The difference between that sum and the union rate of 10s. 6d. a day as provided, I believe, by the Amalgamated Society of Engineers for their members, will amount to a considerable sum in the year, and more than cover the value of the extra privileges to railway employés. The term of the holidays varies according to the length of service. On the other hand, there are disabilities to be considered. If we are going to consider the privileges and the emoluments of railway servants we must also remember their disabilities. We know that in the regulations of all the States there is a provision for the retirement of men, no matter how long they may have served, at the age of sixty or sixty-five years. I have always regarded this as a cruel provision. I would ask the Prime Minister or any other honorable member if the private employer of a man who had served him well for thirty-five or forty years, as some of these men have served the Government, would send to him in his old age a curt note informing him that he was no longer fit to work, and that his services were no longer required?

Mr. DEAKIN.—Would they have been kept on in private employ?

Mr. WILKINSON.—Hundreds of them are, and I dare say that the honorable and learned gentleman could quote some cases. Private employers are often kinder than is the State in this regard. It has been well said that when a man is dealing with a body corporate he is dealing with an institution which has no body to be kicked, or soul to

be damned. That seems to me to be the spirit which is operating. With regard to the tenure of employment, what have we noticed in Victoria within the last week or so? Where has the security of position come in? The railway men have been asked to affix their signatures to a document under which they agree to retire from the service without a day's notice. The Commissioners have the power to dismiss any railway servant, on giving a reasonable notice—a fortnight, I think; but they are now asking the railway men, who apparently are completely under the thumb of the powers that be, to sign a document in which they consent to dismissal without even a moment's notice. They are no more secure in their appointments to-day than are any men working casually for a private employer. If this kind of thing is allowed to go on here, it may be taken for granted that it will shortly extend to some of the other States, and when it does we shall find the men taking united action against it. It may be said that State employés can always depend on their representatives in Parliament to redress their grievances. But in Queensland, and I believe in other States, the experience of the men has been to the opposite effect. I know, as other Queensland members can testify, that for eight or nine years in that State a public servant, particularly a railway employé, did not dare to be seen speaking to a politician in a street, if that politician happened to hold views in opposition to the Government. There is going to be a fight on the part of railway employés and other public servants for an extension of their liberty as citizens in the States to something like that which is enjoyed by them under the Commonwealth. The attitude of the Commonwealth towards these people has been liberal: the franchise has been given even to policemen. In the States they are deprived not only of the full exercise of the right to vote, but of many other citizens' privileges. In Queensland, not very long ago, we had a Minister for Railways who tried to copy the Minister for Railways during the time of the strike in Victoria. He came down to Melbourne, sat at the feet of that Minister, and learned from him. On his return he put into operation some of the things which had been practised here, and which had driven the railway men to revolt. Fortunately the Government, of which he was a member, did not remain in office very long, and the

railway men have been freed, in a large measure, from the reign of terror which had obtained amongst them for eight or nine years. I am arguing on this line at some length, because I do not think that the contingency of a railway strike originating in one State and extending to more than one State is so remote as the Prime Minister seems to think. I am going to vote for the omission of the words as proposed by the honorable member for Wide Bay, on the understanding that some other words will be inserted which will make the Bill apply to railway employés. I am not desirous of including in its operation at the present time the employés of other departments of the States, because I do not think that they enter into competition with private enterprise to anything like the same extent that the servants of the Railway Departments do. We have only one Customs Department, only one Post and Telegraph Department, and only one Defence Department. There are no Departments in which the employés follow callings which, like that of the employés of the Railway Departments, come into competition with private enterprise.

Sir JOHN FORREST.—There are the Printing Departments.

Mr. WILKINSON.—That is an exception, but a dispute in that Department would not materially affect the interests of the public. I am not arguing in favour of the inclusion of railway servants in their interests entirely. I am arguing for their inclusion in the interests of the general public quite as much as, if not more, than in their interests.

Sir JOHN FORREST.—I thought the honorable member said that he was going to be an out-and-out supporter of the Deakin Government.

Mr. WILKINSON.—I never said anything of the kind.

Sir JOHN FORREST.—The honorable member is reported to have said so at Ipswich.

Mr. WILKINSON.—I suppose that the right honorable gentleman has been long enough in politics to learn that sometimes the reports of his speeches are not accurate.

Sir JOHN FORREST.—It was an incorrect report then?

Mr. WILKINSON.—My statement on the public platform, and in my manifesto to the electors, is quite consistent with the position I am taking up here to-night. I said that I would be a general supporter of the Deakin Government, but I specifically excepted this particular clause in the Conciliation and Arbitration Bill, and some pro-

visions which might be inserted in the Navigation Bill. On those two measures alone did I say that I would have any difference with the Deakin Government. It is a matter of considerable pain to me to think that the vote I am about to give may assist to displace them, but I have my conscience and my constituents to satisfy. I cannot break the pledges which I gave on the hustings. If the arguments which have been adduced here had influenced me to such an extent that I felt that I should be justified in voting in another way I should have referred the matter to my constituents. I should not have been prepared to give a vote until I had first consulted them on the subject, because I think that if a candidate secures the votes of his constituents in favour of a certain policy he owes it to them when he changes his mind to give them an opportunity of changing their mind too. While I am pledged to a general support of the Deakin Government, I am also pledged to support a measure of this kind which will include the railway employés. That I intend to do. When it is said that there has been no demand for the inclusion of these men, I reply that in my case, at any rate, there has been. The circular which has been read by the honorable member for Echuca is some evidence that a demand for inclusion has been made by a very large and important section of the railway servants. That document emanated not from Mr. Robert Hollis, although it is signed by him, nor merely from Victoria or New South Wales, but from the federated associations of engine-drivers, firemen, and cleaners of Australia. I know many of these men. I know the members of the council of the body to which I have alluded. When a copy of the document was sent to me, my reply was that if a reference were made to my action when this Bill was before the last Parliament, it would be found that I had acted in accordance with the resolutions embodied in the circular. The votes which I then gave were in accordance with what the association requires, and I shall give a similar vote on the present Bill. The Minister for Home affairs has congratulated the Committee on the good feeling that has prevailed throughout the debate, notwithstanding that very important changes depend upon the vote to be taken. Let us maintain that good feeling. I do not think that there is a single honorable member who will vote for the amendment, but will regret the effect of his vote so far as the Government is concerned. I

do not want to see a change of Government ; but I cannot sacrifice my convictions and my conscience in order to keep the present Government in power. My regret at casting this vote will be due to the effect it will have upon those of whose administration of the Departments I have approved, and with whose general policy I am most heartily in accord.

Sir JOHN FORREST.—All for a thing which will be of no use when it is obtained !

Mr. WILKINSON.—We have heard that before ; but there is a value in a provision of this kind which may never be made quite apparent. "Prevention is better than cure," and if we insert in a Bill a provision which will prevent strikes, we shall have accomplished a great purpose. If a strike does occur it can be settled by an appeal to the Arbitration Court without the interruption of our trade and commerce. I am sure that if such a dispute should arise, and if this provision prevents the interruption of our traffic for only one week, we may feel that we have spent our time well. I had intended to refer to some other matters about which nothing has been said. The words proposed to be omitted include other public bodies "constituted under the Commonwealth." Something might have been said with regard to the effect of leaving in the Bill the words proposed to be omitted upon disputes amongst the employés of City Councils, Boards of Works, and other such bodies ; but the chance of such disputes, if they ever occur, extending beyond the boundaries of one State is so distant as to be hardly worth consideration. I say finally that much as I shall regret the effect of my vote, still, in supporting the inclusion of the railway men, I shall only be voting in accordance with my pledges and my conscience.

Mr. McCAY (Corinella). — Unlike the honorable member who has just resumed his seat, I am under no pledges to my constituents in this matter.

Mr. KNOX.—Because the honorable and learned member had no opposition.

Mr. McCAY.—Whatever the cause may be, the result is as I have stated. Consequently I have been enabled to approach the consideration of the proposal untrammelled by any other consideration than that of what is the proper thing to do under the circumstances. For I know, as other honorable members do, that sometimes pledges are given to our constituents before we have fully considered

the matters to which they relate, and we afterwards feel bound, as men of honour, to carry out our pledges, even if we have reason to believe that we have given them rather hastily.

Mr. WILKS.—There are often "unredeemed pledges" in politics.

Mr. McCAY.—The honorable member may speak on that point with fuller knowledge than I possess. I hope, in the course of the remarks which I shall venture to address to the Committee, to confine myself closely to the substantial point at issue in connexion with this amendment. It is very difficult, I must admit, in dealing with the clause and the amendment, to avoid straying away into a general discussion as to conciliation and arbitration. But I shall try to avoid wandering into that fog. I simply premise my remarks by saying that I, for one, have always believed in the principle which is contained in this measure, of settling disputes by peaceful rather than by warlike means, and that consequently anything that I may say in opposition to the amendment as proposed relates to that amendment and its specific object, and not to the general purposes of the Bill. I think one can scarcely overrate the importance of the occasion and of the question we are considering. It involves not only the fate of the Government, which in itself is an important matter, and is more important in the case of a Government that deals with the whole of Australia in certain respects, than in the case of a Government of one of the States. I suppose that that consideration and that result cannot fail to enter into our thoughts. I believe that it was made pretty clear all along, from what the Prime Minister said from time to time, that defeat on this matter meant either the resignation of the Government or the loss of the Government's self-respect, and I certainly never had any doubt which course would be pursued by a Government led by my honorable and learned friend the Prime Minister. If any further assurance on the matter were necessary I think that the Minister for Home Affairs has made it quite clear to-night.

Mr. DEAKIN.—Unofficially !

Mr. McCAY.—He not only made clear what will happen if the amendment is carried, but he also apparently made it plain that, in his "unofficial" opinion, he knows what is going to happen. He, in effect, bade an "affectionate, fond farewell" to the seat which he has so long adorned. Not

only does the amendment affect the fate of the Government. The matters with which it deals are far more important than is the fate of this or any other Government which may sit on the Treasury benches. The amendment also affects the relations between the administration of the Commonwealth, and that of the various States. In the early days of this Federation I believe that we should proceed with extreme caution. The mistake is sometimes made of contrasting the exercise of our powers as a Commonwealth with the exercise of similar powers in America, honorable members being apparently unmindful of the fact that the United States Federation has been in existence for three times as many years as the Australian Federation has been in existence months. It has taken the United States more than a century to develop its powers to their present extent. In its earlier history it moved with extreme caution, except in matters that were absolutely essential and urgent to the well-being of the community. It was particularly careful to avoid doing anything which might even appear to be an infringement of the separate sovereignties of the States. In that respect America affords us an example which we should remember, even if we do not copy it upon every possible occasion. I think, therefore, that some importance ought to be attached to the fact that the adoption of the proposed amendment may result in the creation of fresh cause for friction between the Commonwealth and the States. If we agree to this proposal, I believe that we shall give the States justifiable cause for complaint. Others think that we shall not. In any case, the ground for friction will be there, and my own idea is that, in justice to Australia and to the constituents who sent us here, we should, if possible, avoid its creation. There is another aspect of this matter, which to my mind is a most important one. Honorable members should recollect that we are establishing a precedent which may exercise the greatest possible effect on the future of Australia. This is the first occasion upon which the Commonwealth Parliament has been asked to interfere with the instruments of State sovereignty, as contrasted with the powers that have been transferred to the Commonwealth from State sovereignty. Our action in the present instance may give rise to continual difference of opinion as to whether the exercise of certain federal powers in certain directions, fol-

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lowed by their administrative results, comes within the purview of the Constitution.

Mr. POYNTON. — What about the taxing of State imports?

Mr. McCAY.—I shall come to that question presently, but I am a long way off it just now, and if the honorable member attempts to bring me to it prematurely he will only prevent me from condensing my remarks in the way that I desire. I say that the adoption of the amendment will affect the instruments of State sovereignty as contrasted with the objects of State sovereignty. We are affecting the means by which the administration of the States is carried on, as contrasted with the persons and things which are the subjects of that administration. That is a departure of the gravest character, and one which should not be entered upon without the strongest reasons for so doing. It seems to me, therefore, that much as honorable members may think it is desirable to pursue the course that is proposed, it is not a necessary course, and consequently should not be followed. I have very little sympathy with the view that has been expressed to the effect that if the proposal under consideration should prove to be unconstitutional the High Court can tell us so. To my mind there is a parliamentary method of interpreting the Constitution, which it is our bounden duty to endeavour to effectuate, as well as the constitutional method which is imposed upon the High Court. Indeed, we have a responsibility in this matter which, in many respects, transcends that of the High Court. I do not regard the High Court as a kindly wall behind which I may shelter myself from responsibility upon any matter of great public importance. I do not suggest that other honorable members take that view. Nevertheless, the argument that if the proposed amendment be unconstitutional the High Court will declare it *ultra vires*, is equivalent to taking refuge behind a tribunal which was never intended to provide such a shelter. The very framing of the Constitution itself shows that the High Court, in some respects, is not the only interpreter of the Constitution. Personally, I should be sorry to see any Judiciary the sole interpreter of that instrument of government. The Parliament and the people are its true interpreters, so far as it possesses any elasticity. It would be a matter for exceeding regret if the High Court were the only interpreter of the Constitution, and if we had to rely upon

the dry light shed upon it by legal luminaries, instead of allowing it to ripen under the development of democratic instinct. In its primary duty the High Court is the protector of the States rather than of the Federation. It provides a guarantee to the States that we shall not overstep the limits of the Constitution. My own opinion is that if we ever overstep those limits it should be the result of accident, and not of design.

Mr. HUTCHISON.—Does the honorable and learned member suggest that we are overstepping the bounds of the Constitution?

Mr. McCAY.—I hold that the moment any honorable member is led to inquire—"Is this proposal constitutional?" we are overstepping it. It is not a case in which legal members suddenly discover a constitutional difficulty, the existence of which no one had previously suspected. The very moment we look at this amendment the question arises—"Is it constitutional?" I venture to say that until twelve months ago not a single member of this House thought that it was constitutional. The mental attitude of its supporters is one of pleased surprise. They are glad to think that it is constitutional, but are surprised, nevertheless. We should be very careful, in a matter of this kind, not to allow our joy to hurry us into doing something which until recently we did not suppose we were able to do. This issue, I claim, far transcends that of the fate of a Ministry, and I do not attach any blame to the supporters of the Government who feel compelled to vote for the amendment upon high national and constitutional grounds. I shall only appeal to them—apart from the legal aspect of the question—upon the grounds which I have just stated. I intend to vote against the amendment, not for the purpose of saving the Government, but because I am firmly convinced that the proposal is absolutely unconstitutional. I know that a variety of opinions is entertained upon the subject. I freely admit that some honorable members, for whose legal attainments I have the greatest respect, and who possess a wider experience and knowledge than I do, differ from me as to the legality of the course which it is proposed to pursue. But this is a matter on which a man must form his own opinion, if he has at hand the material to enable him to do so, and on which he must vote according to that

opinion, rather than the opinions of others, much though he may respect them. We have to consider sub-section xxxv. of section 51 of the Constitution in all its aspects. We have first to consider its relation to the whole scheme of the Constitution; and, secondly, to consider the question whether the amendment falls or could fall within the specific words of the sub-section. Even although one came to the conclusion that the specific words of the sub-section could reasonably, so far as the rules of grammar are concerned, cover the amendment to bring States servants within the operation of the Bill, nevertheless if they were also capable of excluding them and the general scheme or the context of the Constitution showed that the intention was that they should not be included, the answer to the question might be that they could not be included. We cannot consider the sub-section apart from its context. We cannot ask ourselves whether, as a mere matter of grammar, it empowers us to include States servants within the scope of the Bill. The context of the sub-section is not the mere words—

The Parliament shall . . . have power to make laws for the peace, order, and good government of the Commonwealth with respect to—

Conciliation and Arbitration, and so forth, because I have omitted four most significant words of the introductory part of the section, which says that the Parliament shall "subject to this Constitution," have power to make these laws. The context of sub-section xxxv. is, therefore, the whole of the Constitution—a very large context for it to possess. When we glance at the Constitution, the first point that strikes us is one that has already been pointed out, but to which I may be permitted to refer, for the purposes of my argument. We have followed the American plan. We have specified the powers which are given to the Commonwealth, and we have left the whole residuum of powers with the States. So far as the distribution of power is concerned, the presumption in every case is in favour of the States. Before we can say—"This power belongs to the Federation," we have to show that the power claimed is provided for, either by express enactment, or necessary implication in the Constitution. The presumption must be in favour of the States in regard to any dispute which comes before the Federal Parliament or the High Court of Australia. Wherever we may seek to have this question determined, the onus of

proof will rest on those who claim the power for the Federation. They have to prove that provision is made for the power. All that the States have to do is to say—"We possess every power save those which are given to the Federation. Show us where the power which you now claim is given to you." That, I venture to submit, is the position with regard to the Constitution.

Mr. FULLER.—Are we to decide this point for ourselves?

Mr. DEAKIN.—We must, so far as our ability will permit.

Mr. McCAY.—My opinion is, that we have not merely a right, but a duty cast upon us, to endeavour to decide these questions. The honorable and learned member does not agree with me.

Mr. JOSEPH COOK.—We are absolutely incapable of deciding them.

Mr. McCAY.—In matters of this kind, the honorable member must speak for himself.

Mr. JOSEPH COOK.—I do so; but I also speak for the honorable and learned member.

Mr. McCAY.—Not one of us is incapable of endeavouring to determine them. We are sent here to endeavour to ascertain the limits of our powers, and to make an effort to refrain from transgressing them. That is our duty just as much as it is the duty of the High Court to prevent any transgression of power.

Mr. DEAKIN.—We do not want a kind of legislative lucky bag to dip into, not knowing what we shall draw out of it.

Mr. FULLER.—How can we decide this question for ourselves when the ablest lawyers in this House cannot do so?

Mr. McCAY.—It is true that the ablest lawyers in the House differ on the question.

Mr. FULLER.—That being so, are the laymen of the House to determine this big constitutional question?

Mr. McCAY.—A man may possess a fair knowledge of constitutional matters although he has not had any legal training. After all, when we go to the High Court, we do not obtain a guarantee of correctness of decision.

Mr. FISHER.—But we secure finality.

Mr. McCAY.—The High Court itself can only give us what specially trained legal minds—what men specially expert in deciding these questions—consider to be the right interpretation.

Mr. DEAKIN.—After the question has been fully argued.

Mr. McCAY.—Quite so. We all know that successive Supreme Courts of the United States have given different decisions upon practically the same question.

Sir JOHN QUICK.—To what cases does the honorable and learned member refer?

Mr. McCAY.—There is, for example, the famous *Dred Scott* case.

Sir JOHN QUICK.—The legal tender case?

Mr. McCAY.—Yes. We do not obtain a guarantee from the High Court that it will correctly interpret the Constitution. We have to secure finality, and therefore we accept the interpretation of the Court as being most probably correct. But before we go to the Court the duty is cast upon us to endeavour to determine these questions for ourselves. The High Court does not exist to discharge that duty for us; it rather exists to check our performance of the duty.

Mr. DEAKIN.—It gives us finality, but not infallibility.

Mr. McCAY.—It gives us finality, but not infallibility, and it does not relieve us from responsibility.

Mr. MALONEY.—It gives us very little satisfaction.

Mr. McCAY.—The honorable member should have no fault to find with the High Court.

Mr. MALONEY.—I have no fault to find with it save in the matter of costs.

Mr. ISAACS.—If we wrongly decide against our powers the High Court can never check us.

Mr. McCAY.—The argument to which the honorable and learned member refers has something of the lucky-bag business associated with it. It suggests that we might make a mistake against ourselves. That is not a principle which would enable any satisfactory result to be achieved if observed in connexion with one's own business undertakings. It is a kind of political dram-drinking which may lead to the most serious results. It is our business to try to determine the limits of the Constitution. As time goes on various decisions on constitutional questions will be given by the High Court, and we shall be able to ascertain whether in reference to any particular matter we have fallen short of the full exercise of our powers. We can always pass new laws; we can always reconsider our previous decisions, and it is better for us now, at all events, to err on the inner side of our powers than on the further side of them.

Mr. FISHER.—How are we to get decisions if we do not transgress our powers?

Mr. McCAY.—That expresses an anxiety for litigation on the part of the honorable member which the whole legal profession will applaud.

Mr. DEAKIN.—The way of transgressors is hard and expensive.

Mr. McCAY.—It is ; but it is said that we are to transgress or to think that we are probably transgressing our powers in order to enable another tribunal to determine them. That is a principle which is not consonant with the spirit of the Constitution. It is not consonant with the duty of the Federal Parliament, nor will it lead to the satisfactory development of the relations between the States and the Commonwealth, or the satisfactory development of the Commonwealth itself.

Mr. FISHER.—The honorable and learned member bases arguments on different decisions, but how can these cases arise until the points have been decided?

Mr. McCAY.—The cases will not arise until the causes arise. The fewer cases that the High Court is called upon to decide the better will it be for Australia. A law suit, like any other form of quarrel, does not always leave the kindest of feelings in the breasts of the disputants. When I was interrupted I was pointing out that the scheme of the Constitution leaves it to the Federation in every instance to prove its case. It leaves sovereignty with the States. Further than that. I venture to say that, unless it be in this particular sub-section, I have not discovered, as the result of a hasty glance anew at the Constitution, any case in which the Federation is authorized to interfere with the instruments of government, as compared with the powers of government, of the States. May I explain that by an illustration. It seems to me that if you compare the State to a coach authorized to drive down a number of different roads, the coming into existence of the Commonwealth has had this effect: it has closed a number of those roads altogether to the State. No coach but the Federal coach can now drive down some roads. It has left a number of roads to the State coach only. The Federal coach cannot drive along those roads. It has also placed some roads in this position: that either the Federal or the State coach can drive along them; but if the Federal coach drives along such a road the State coach has to stand aside. That illustrates the position where under the Constitution a Federal Act overrides a State Act; but unless this

be a case, I do not know of any other instance in which, under the Constitution, the Federation is entitled to interfere with the State coach itself. It is entitled to interfere with the roads upon which the State coach may be driven, but it is not entitled to touch the State coach, unless it is so entitled under the sub-section which is the basis of this legislation. However, what is proposed here by the amendment submitted by the honorable member for Wide Bay, is not only that the Federal coach may drive along the same road as the State coach, but that the driver of the Federal coach may interfere with the State coach itself, and with the driver of the State coach.

Mr. FULLER.—We have no confidence in the coach-drivers.

Mr. McCAY.—The State coach-drivers?

Mr. FULLER.—No, the Federal coach-drivers.

Mr. DEAKIN.—We are not the drivers of the Federal coach in this instance.

Mr. McCAY.—The honorable and learned member for Illawarra may, on this occasion, vote for the amendment in order to dispossess the Government, irrespective of the merits of the case; but I may be permitted to say that he has as little right to do that as I should have to vote against the amendment merely for the sake of keeping the Government in.

Mr. FULLER.—My vote during the last Parliament proves that that is not my position.

Mr. McCAY.—I do not say that that is the honorable member's position, but when he says that he has no confidence in the Federal coach-drivers, he provokes that particular retort, and he will admit that his mind for the moment was directed to that particular aspect of the success of the amendment. I think that in connexion with this matter one may do what one is always permitted to do in considering a statute in courts of law—one may look at the mischief aimed at by the statute. What is the mischief aimed at by the insertion of this sub-section of the Constitution? It was known that from time to time there were private disputes—that is to say, disputes between private employers and their employés—which extended beyond the territorial limits of any State, so that the State sovereignty to deal with such matters was limited for territorial reasons. It was seen that when a dispute of the kind existed in two States,

one State might deal with it, and the other State might not; or one State might deal with it in one way, and the other State in another way, and thus produce unsatisfactory results. And, because the arm of the State was not long enough to reach beyond its own borders to deal with such a matter, it was said—"Here there is being called into existence a power with an arm long enough to extend over the whole continent of Australia. Wherever the limitation of the State arm stops the exercise of the State power, there the Federal arm may be used, and may extend over the required area." That was the mischief aimed at by this portion of the statute. That, I say, was in the minds of the framers of the Constitution, as shown by the wording of the Constitution. I admit that, so far as the legal interpretation of the statute is concerned, the intention and the mind of the framers of it have nothing whatever to do with the question. It has, however, something to do with this question, as I shall be able to point out later. State servants are in a very different position. Their very name shows that they are always within reach of the State arm. Each State has its public servants always within reach of its arm to deal with. I might say here that I am not expressing, or intending to express, an opinion as to the merits of any dispute between any State and its employés. I do not for a moment deny that State employés, from time to time, have just grounds for complaint, nor do I deny that those grounds for complaint are not always done away with as rapidly as may be. I have never publicly expressed any opinion upon the recent unhappy railway strike in Victoria, because I have always felt personally that, as a Federal member, I could not do any good, and I might do harm, by interfering. That was my personal opinion, and I acted upon it. I am not, therefore, to be taken as now expressing any opinion of the merits or demerits of either side in any dispute that has taken place, or that may take place, between State employés and States Governments. State employés are in a different position from private employés. The States Governments, as regards private employers and employés, may say, "We have no time to be continually settling your individual disputes by passing Acts of Parliament for the purpose. It would require special attention and knowledge, which we do not possess." But on the other hand, there is a way in which the State can insure effect being given to the

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good conscience of the community, because after all the good conscience of an Arbitration Court is only the good conscience of the community crystallized, and an Arbitration Court does differ from an ordinary Civil Court in this respect—that it is, so to speak, the mouth-piece of the conscience of the community in these industrial matters, instead of a mere instrument for the application of principles of law to an ascertained set of facts, as in the case of a Civil Court. There is a marked distinction. The State, through its Parliament, says—"The Parliament cannot deal with all these differences of opinion between employers and employés. We cannot always be expressing what the equity and good conscience of the general community is in these matters. We therefore depute our powers in this respect to an Arbitration Court." That is what is done by the establishment of a State Arbitration Court, and what will be done, within the limits of the Constitution, by the establishment of a Federal Arbitration Court as regards private employers and employés. But with regard to the employés of the State, they are at all times directly in the purview of the community, as represented by the Parliament.

Mr. FULLER.—It is not so in New South Wales.

Mr. McCAY.—It is so everywhere. I do not say that it is so perfectly in every case; but the consideration of the Estimates in a State Parliament every year alone suffices to draw attention to the position of State employés, and I say that the servants of the State, whatever their wrongs are, or may be, are able, through the State Parliament, to bring the good conscience of the community more directly to note their position than the employés in any private industry can possibly do.

Mr. LEE.—The railway servants of New South Wales are under an Arbitration Act.

Mr. McCAY. — I see nothing to prevent a State, if it chooses, saying—"We think that even as regards our own servants an Arbitration Court will be a better exponent of the equity and good conscience of the community than even the State Parliament will be." But that is a voluntary delegation of powers which they can exercise to a deputy of their own choice, as has been pointed out several times. It seems to me that, although it may be true to say that because this legislation is good for private employés it is therefore good for State employés, it is nevertheless not a completely

logical statement, because it omits recognition of the fact that the good conscience of the community can be exercised differently as regards State employés from the way in which it can be exercised as regards private employés. There is only one other matter I desire to mention, and that is in connexion with the wording of the subsection under consideration. I promise honorable members that I shall be brief, as I have already spoken at greater length than I had intended to do. It has been pointed out that in this paragraph there is neither an express inclusion nor an express exclusion of States servants, and different honorable members have drawn different conclusions from that fact. Some honorable members appear to have drawn the conclusion that no conclusion is to be drawn from it. Paragraph xiv. speaks of "Insurance, other than State insurance," and it is therefore argued that, as State servants are not mentioned in paragraph xxxv., they must be included. Other honorable members have quoted paragraph ii., which relates to taxation, and provides that there shall be no discrimination between States, and section 114, in which the taxation of State property, whatever that may mean, by the Commonwealth is expressly prohibited, to show that where it is intended to exclude the State, there is a specific exclusion. So two opposite inferences have been drawn. The honorable and learned member for Indi drew attention to the fact that two opposite inferences could be drawn from paragraphs i. and ii. of section 51. I propose to endeavour to draw a third inference, which has not yet been drawn. It seems to me that if the powers conferred by section 51 are looked into they can be divided into three classes. In regard to the first class, the State is clearly bound, and I take as an obvious illustration paragraph xxxii., which provides that the Parliament shall have power to make laws for—

the control of railways with respect to transport for the naval and military purposes of the Commonwealth.

If that paragraph is read in conjunction with paragraph vi., which gives the Parliament power to make laws for the naval and military defence of the Commonwealth, the conclusion is forced upon one that the States railways are subject to the Commonwealth authority for the purposes named. The States are not mentioned, because it was not necessary to mention them, since one cannot help seeing

that they are referred to. Paragraph i. affords an example of the second class of powers. It enables the Parliament to make laws with respect to—

trade and commerce with other countries, and among the States.

That provision might affect the States in their sovereignty, or it might not; and, therefore, section 98 provides that—

the power of the Parliament to make laws with respect to trade and commerce extends . . . to railways the property of any State.

So, too, with regard to paragraph ii., which empowers the Parliament to make laws with respect to taxation, it might, or might not, affect the sovereignty of the States, and consequently it is provided in section 114 that the Commonwealth shall not—

impose any tax on property of any kind belonging to a State.

Under paragraph iii. the Parliament may make laws with respect to bounties. That provision might, or might not, affect the States as sovereign entities, and, therefore, sections 90 and 91 explain exactly how the States sovereignty is to be regarded in that connexion. Under paragraph xiii., the Parliament may make laws with respect to—

banking, other than State banking; also State banking extending beyond the limits of the State concerned.

If "banking" alone had been mentioned, the provision might, or might not, have included State banking, and, therefore, the other words of the provision are added. Those are illustrations of the second class of powers, in regard to which, if there were no definition as to how far the States were affected there might be a difference of opinion as to whether the States were, or were not, affected. Then there is a third class of powers, in regard to which no one would dream that the States are affected, and, therefore, the States are not mentioned in connexion with them. Paragraph xxxv. provides for a power which does not belong to the first class in connexion with which the States are absolutely included; nor, if my definition is correct, to the second class, because it is not shown how far the States are affected; and, therefore, the presumption is that it belongs to the third class, and that the Imperial Parliament, which, from the legal point of view, is the maker of the Act, did not suppose that the States would be regarded as affected. I do not say that arguments like these, based upon a verbal interpretation, have the same

force or value as arguments based upon the larger question as to what is the whole intention of the Act; but, at all events, they give a feasible explanation of the apparent inconsistencies in connexion with the paragraphs of section 51, and force me to the conclusion that the amendment is unconstitutional. I may be wrong in that view; but, if so, I cannot help it. I am bound to take what my own duly considered judgment forces me to think is the right course. If the amendment be carried, and the High Court afterwards holds it to be constitutional, I cannot quarrel either with the determination of the majority or with the interpretation of the High Court, though I may still think that it would have been better for us to refrain from exercising this power. I believe, however, that the amendment is unconstitutional, and therefore I shall record my vote against it, without considering whether it is or is not in the interests of the States servants, and quite apart from the question of expediency. In connexion with the question of expediency, we must consider the intention of the framers of the Constitution. That becomes a material consideration. However, I have spoken at greater length than I intended, and I shall not say any more upon that point. For the reasons I have given, and for other reasons with which I have not wearied honorable members, I am forced to the conclusion that the amendment is contrary to the Constitution, which limits our powers, and therefore I shall vote against it.

Mr. CARPENTER (Fremantle).—Having listened to the carefully reasoned speech of the honorable and learned member for Corinella, and to those of other legal members of the Committee, I am reminded of advice which was given to me many years ago, and ran something like this: "If you can avoid it, never ask for legal advice; but if you are compelled to get it, never follow it, so long as you can avoid doing so." The confusion and clashing of legal opinion has been a feature of this debate recognised by every lay member of the Committee. If the legal members of the Committee had been unanimous in the opinion that the amendment is unconstitutional, I think that that would have had weight with all of us. But there has been an almost equal division of legal opinion. Able lawyers have spoken on each side, and the only result has been to make confusion worse confounded, and to compel the lay mind to fall back upon itself for a deter-

mination as to whether the amendment would do violation to the Constitution. I should be very foolish if I were to attempt to follow the legal arguments which have been so ably placed before us. I can hardly agree with those honorable and learned members who have sought to attach such great weight to American precedents and conditions. For three years I was a colleague in the South Australian Parliament of the honorable member for Darwin, and during that happy period I learnt a good deal with regard to American ways and institutions. May I whisper that what I heard did not persuade me that we should do well to follow even so great a nation as America in our legislation. Further than that, the political tendencies in that country are widely different from our own, and as soon as honorable members begin to quote American authorities I am on my guard. The United States Constitution has been quoted again and again, not as an instrument by which the people can express their will and secure the adoption of the laws they require, but as a means of preventing them from doing so. Contributors to the magazines are constantly pointing out that the United States Constitution, instead of being an aid to democracy, and affording means by which the people of that great nation can carry out their wishes, is a check upon them, and prevents them from doing what they would have accomplished long ago if they had been unfettered. The political tendency in Australia to-day is altogether different from that in America. In the United States private enterprise has almost run mad, and we see the result of its unchecked development in rings, combines, and trusts. Here, I think, fortunately, we are proceeding in the opposite direction, because our inclinations are towards State control of monopolies. I hope that this tendency will continue, and for that reason I am all the more anxious that we should exercise to the full every power which the Constitution confers upon us, even to the extent of providing for the reference to the Arbitration Court of disputes in industries which are under the control of the various States. I think it would be a calamity if it were established here and now that the Federal Arbitration Court could not exercise jurisdiction over the many thousands of States public servants. If that position were established, I should do my utmost to assist in securing an alteration of the Constitution. We are told that, even if we had the power, it would not be

expedient to bring States servants within the scope of this measure. I have been taught, however, that it is always expedient to do what is right, and no honorable member has attempted to show that we should do any wrong in bringing public servants within the scope of the Bill. The arguments against the expediency of adopting the amendment seem to me to rest upon a very slight foundation.

Mr. JOHNSON.—Justice is the highest expediency.

Mr. CARPENTER.—I agree with the honorable member on that point, although I do not think that he agrees with me in regard to the principle of the amendment. During the agitation in favour of the Commonwealth Bill it was frequently represented to the people that the Commonwealth would confer upon them a dual citizenship, that they would no longer be merely citizens of one State or another, but citizens of the whole of Australia, with rights and privileges which the Federation alone could confer upon them. That argument strongly appealed to me, but immediately a law is proposed which is intended to give practical effect to the promises then made, and to confer upon the citizens of Australia tangible benefits beyond the grant of any other authority, we are told that it would violate the Constitution. I am as anxious as any one to preserve to the States every constitutional right which the instrument of Federation conserves to them. I differ from some of my honorable colleagues in the Labour Party who believe that unification would give us an improved form of government for Australia. I have always held that for many years to come Australia would be better governed, and her resources would be better developed, by leaving it to the States Governments to exercise a large measure of power. At the same time, I cannot shut my eyes to the fact that the present tendency is towards unification. The very genius of the Constitution makes for unification. We have examples of this almost every day, and, in this connexion, I might mention the recent Conference of States Treasurers. What would honorable members have said if the Federal Treasurer had, of his own initiative, and without reference to any other proposal, calmly suggested that the States should not indulge in any further borrowing without first submitting their proposals to the Federal Government. Such an idea would have been scouted. Yet, when the States Treasurers proposed to avail

themselves of the benefits that would be derived from the federalization of the States debts, the Treasurer's suggestion that an agreement on the part of the States to surrender their individual borrowing powers, and make them subject to Federal revision, would be a condition precedent to the adoption of such a scheme, was received with equanimity, and even some degree of favour. I am rather inclined to believe that, in order to derive the benefits which would accrue from the federalization of their debts, the States will agree to the condition laid down by the Treasurer. This shows how the Federation tends to overshadow the States almost in spite of themselves. The democracy of Australia has learned that the Federal Parliament is the Parliament of the people in a way that the States Parliaments are not. I am not at all surprised to hear an honorable member laugh at that remark. Those gentlemen who advocated very loudly the establishment of Federation were not at all slow to make the statement that a Federal Parliament would give to the people of Australia legislation of a character altogether different from that which they were getting from the States Parliaments. It was said by the conservatives of the State in which I then lived that there would not be much prospect of labour legislation from the Federal Parliament—that they were going to have a superior class of member within these walls. But to their utter astonishment the people of Australia have taken possession of their own Parliament, and we find that the thoughtful men and women of Australia have already begun to realize that they can get their wishes carried into law here much more quickly than they can in the States Parliaments. Here we have political equality; there we have restrictions owing to property qualifications, and so forth, which prevent the people passing their wishes into law. All this makes for the aggrandizement of this Parliament. The people are going to make use of that which gives them what they want, rather than tie themselves to their States Parliaments, which too often place obstacles in the way of the expression of their will. The right honorable member for Swan, who gave us such a breezy speech this afternoon, reminded us of the difference between the Constitution we have to-day and the Constitution which was proposed in 1891. One of the differences to which he referred was that under the proposal of 1891 the States

Parliaments would have elected the members of the Federal Parliament; and I could not help thinking that the delay of a few years brought a wonderful change in the opinions of those gentlemen who were charged with the duty of framing a Federal Constitution. There was not much danger of the people of Australia accepting the Constitution of 1891. They realized how dangerous it would be; but they at once accepted a proposal which gave them the power they had the right to exercise. The point I wish to make is that the few years which elapsed between 1891 and 1897 brought about this wonderful change in the politicians of Australia. As we are rapidly changing in our political ideas, I do not want to have an interpretation of the Constitution which would tie us down and prevent us from expressing our will. I recognise that there are certain limitations which must be observed, but I am not going to yield to any legal opinion. I would rather run the risk of a rebuff from our High Court—of being told we have exceeded our powers—than I would hesitate timidly to do something about which I had a doubt. Let us exercise to the full all the powers which the Constitution gives us.

Sir JOHN FORREST.—Not at once, surely?

Mr. CARPENTER.—Not at once; but as occasion arises.

Sir JOHN FORREST.—The occasion does not arise now.

Mr. CARPENTER.—The interjection of the right honorable gentleman brings me to the consideration of one or two points which were raised by him this afternoon in his very excellent fighting speech. As I come from the same State as does the right honorable gentleman, I claim to represent some of the public opinion there, and I desire to make brief reference to some of his remarks. Let me say, first of all, that I re-echo every kindly word he spoke with reference to those who oppose the Government; I reciprocate every kindly sentiment he expressed in his very able speech. But while doing that, I can hardly agree with him when he seeks to speak as representing the State of Western Australia in his opposition to this amendment.

Sir JOHN FORREST.—I was then speaking of the public servants of Western Australia.

Mr. CARPENTER.—The right honorable gentleman had the advantage of being re-elected to this Parliament without a

fight for his seat. Such a position is an advantage, though it is also a disadvantage. The disadvantage of having no contest is that a candidate, not being brought into close contact with his constituents, may perhaps get out of touch of them, and assume that their opinions of to-day are the same as they were three years ago, when he was first returned. I may be pardoned for saying that if the right honorable gentleman had had to fight an election, he would perhaps have been brought very much more closely into touch with public opinion in his own electorate. As to the opinion expressed on this question by Western Australia at the general election, may I remind the Minister for Home Affairs that in those districts where there were contests that opinion was very emphatic indeed.

Sir JOHN FORREST.—I do not think so; the question was ignored by the press, and generally.

Mr. CARPENTER.—The right honorable member appears to think that this question was ignored in Western Australia. In the debate on the Address in Reply, the Minister for Home Affairs stated that he had put it plainly to the electors of Western Australia that the inclusion of the public servants would be unconstitutional and an invasion of States rights.

Sir JOHN FORREST.—There was no one to fight for the inclusion of public servants.

Mr. CARPENTER.—I submit that if the right honorable member held that opinion as a vital principle, he certainly ought to have discussed it before the electors. It was a question discussed on every political platform, and inquiries regarding it were made at nearly every public meeting; and I do not know that there was any serious attempt made by the honorable gentleman to combat the arguments of those who advocated the inclusion of the States employes within the operation of an Arbitration Bill.

Sir JOHN FORREST.—It was said that the Bill would never apply to Western Australia, owing to the isolation of that State.

Mr. CARPENTER.—I am aware that the opinion was expressed that, so long as there was not an Inter-State railway, the Bill could not apply to Western Australia; but we are living in the hope that we shall have this railway at a very early date. I should like here, very briefly, to quote some figures in relation to the general election in Western Australia. For the candidates who

supported the inclusion of the States employes under an Arbitration Bill, 13,507 votes were cast in the three contested electorates, while only 6,678 votes were given to the unsuccessful candidates. This shows a majority of nearly two to one in favour of the candidates who advocated the inclusion of the States servants.

Sir JOHN FORREST.—The honorable member knows very well that the inclusion of States servants, under the Bill, was not made a prominent question.

Mr. CARPENTER.—It was a fairly prominent question. I do not pretend to say that it was the only issue on which the electors voted, but I have a perfect right to say that it was one of the leading planks in our platform, and, being discussed at every meeting, was as much in the mind of the public as was any other question. As I have said, in the districts where there were contested elections, a majority of two to one was shown in favour of the inclusion of the States servants.

Sir JOHN FORREST.—The labour question was the more important.

Mr. CARPENTER.—This is the labour question. In the Swan electorate there was no contest for the House of Representatives, but there was a contest for the Senate.

Sir JOHN FORREST.—I do not think that the candidates for the Senate put this forward as a prominent question.

Mr. CARPENTER.—I think they did.

Mr. PAGE.—The Prime Minister made the question an important plank in his platform at Ballarat.

Mr. CARPENTER.—I attended some joint meetings with candidates for the Senate in Western Australia, and they made this question quite as prominent as I did.

Sir JOHN FORREST.—It may have been made a prominent question in Fremantle, but not to any extent elsewhere.

Mr. CARPENTER.—For the three elected Labour senators for the Swan district 7,348 votes were cast.

Sir JOHN FORREST.—The honorable member knows very well that these senators were elected on the labour ticket.

Mr. CARPENTER.—For the three candidates nominated by the Minister for Home Affairs—Mr. Saunders, Mr. Cavanagh, and Mr. Moore—

Sir JOHN FORREST.—I only assisted two. Mr. Saunders was not my candidate, because he was a free-trader.

Mr. CARPENTER.—There was a third on what was known as the "Forrest ticket."

Sir JOHN FORREST.—No; on the free-trade ticket.

Mr. CARPENTER.—It was understood that the three I have named were on the one ticket, and were being supported by the Minister for Home Affairs.

Sir JOHN FORREST.—The other man was opposed to us.

Mr. CARPENTER.—That makes the case all the worse for the Minister. I am giving him the benefit of a candidate who was not his own. For these three gentlemen who were opposed to the labour policy, 5,768 votes were cast as against 7,348 votes cast for the candidates who advocated this proposal. I merely quote these figures to show that in spite of the statement of the Minister to the contrary, Western Australia, by overwhelming majorities, favoured those candidates who had advocated at nearly every meeting the inclusion of State employes within the operation of the Conciliation and Arbitration Bill.

Sir JOHN FORREST.—It was never brought under their notice at all.

Mr. CARPENTER.—The right honorable gentleman also accused those who are supporting the amendment of trying to take power from the States. I have dealt with that aspect of the question, but allow me to repeat that we are not seeking to deprive the States of any power which they possess. I am surprised to find that the only proposal to take power from the States is that which is reported to have been made by the gentleman who is contesting the Riverina election as a Government supporter. Mr. Chanter is reported in the press this morning to have said that he would favour the appointment of a High Commissioner at once, and compel the States Governments to withdraw their Agents-General from London. I do not think that any labour man, or any member of the Opposition, has gone so far as to propose to interfere with the powers of the States to that extent. There is one other remark of the Minister for Home Affairs to which I must take exception, and that is that the Labour Party have not treated the Prime Minister fairly in this matter. The right honorable gentleman failed to justify his statement. I do not wish to rest under the accusation of having done anything unfair. With the rest of my colleagues, I hold the Prime Minister in the highest esteem, and I think not only the members of the Labour Party here, but the followers of the Labour

Party outside, recognise that he has been a friend to labour, and has assisted to pass very many measures for their benefit since he has held that high office. But because we now differ, and differ sincerely—having as much right to our opinions as any Minister has to his opinions—why should we be accused of treating the Government unfairly? The Minister for Home Affairs said that we who have been his friends are going to become his executioners. I should be sorry indeed to have anything to do with the political execution of any friend to labour. I am rather inclined to think that, instead of there being an execution, the Government are committing suicide. All we are doing, if we are doing anything, is assisting at their burial. For some weeks the Minister for Home Affairs and his colleagues have seen what the result of a certain course of action would be. They calmly come to the edge of the precipice, and, seeing their danger, they determine to jump over, and turn round to say, "Our friends have done this." We would have saved them from their fate if they had given us half an opportunity. It is because they have taken the bit in their teeth, and gone not so much against what we proposed as against the wish of the people of Australia expressed at the recent elections, that we feel compelled to vote against them on this occasion. I am convinced that no matter what the result of the division may be, the principles of democracy which I suppose are professed by a large majority of the members of this Committee will permeate all our legislation. There may be a change of men on the Treasury bench, but I am sure that there will be no change of principles in the legislation which may be proposed. Believing that no matter what may be done, it is best not to surrender a principle, but, as the Prime Minister has said, to go straight on, and believing that the ultimate result will be nothing but good for the democracy of Australia, I shall heartily support this amendment.

Mr. JOHNSON (Lang).—Until I heard the astounding "unofficial revelations" of the Minister for Home Affairs, I must confess that I was very much perplexed in my mind to find out what reason could have induced the Government to push a Bill of this character into the forefront of their programme. There are many measures of more general public importance, mentioned in the Governor-General's speech, which might, and in my opinion should, have been given

precedence. This Bill does not seem to have attracted any considerable public attention except in certain circles, and even in those circles only so far as some of the States are concerned. But after the explanation of the Minister for Home Affairs the reason is perfectly clear to me. He has made no secret of the fact that the idea in pushing this Bill into the forefront of their programme was to make themselves solid with a certain section of the House. But they now discover, when it is too late for them to retreat, that they have been playing with a two-edged weapon, and that it is likely to result, unfortunately for them, but fortunately for the country, in their total displacement from the Treasury bench. Thus in a very early stage of their second infancy they appear to be likely to leave a very brilliant future behind them. That, of course, is an act of their own doing, and it has been not inaptly described by the last speaker as an act of political suicide on their part. I can well understand that this may have been intentional, for it must be galling to any Government to know that they are in an actual minority in the Chamber, and are carrying on the legislation of the country by the sufferance of another party. I do not say any particular party; whatever party may be rendering such assistance, it is a most unsatisfactory position, not only for the members of the Ministry, but also for the country. Therefore, I say that the sooner this condition of things is concluded the better it will be for the country, even though it may have the effect of putting a Labour Government immediately in power. It is better that there should be a clear line of cleavage between parties so that we may know exactly where we are, and so that we shall by a process of evolution have a Government occupying the Treasury bench, that will ultimately command the support of a majority of honorable members. Personally, I have no fault to find with the occupants of the Treasury bench as individuals. In fact, for our esteemed friend, the Prime Minister, so far as my brief acquaintance with him goes, I can say that he has earned my very sincere regard and my highest respect, amounting almost to personal affection. My only fault with the honorable and learned gentleman is that, holding the fiscal opinions that he does, he is, in my opinion, on the wrong side of the Chamber. As to the introduction of the Bill at this time, the

Prime Minister has said—I do not quote his exact words—that we should wait until Arbitration Courts have been established in all the States, embracing civil servants or railway servants within their operation, before including them in the provisions of the Federal Act. If we are to do that, why should we not wait until similar Arbitration Courts are established in all the States so far as private employes are concerned? If the argument is sound in the one case, it certainly must be equally sound in the other. The leader of the Opposition has told us that it was never contemplated by the Convention to include civil servants or railway servants in such a measure as this. It must be as well known to the Prime Minister as to the leader of the Opposition that it was never contemplated that such employes should be brought within the scope of such a Bill. When the Government found that there was a desire on the part of a section of this House to insist on the inclusion of that class of employes, it is a matter of surprise to me that they still persisted in pushing the matter to a conclusion at this early stage in the existence of a new Parliament. Another argument against this unseemly haste in bringing forward the measure is that even in the States where Arbitration Courts have already been established the legislation is purely of an experimental character. So far, at any rate, as New South Wales is concerned, it has not been productive of the most satisfactory results. At best it has only been imposed for a limited period. Until there was some authentic demand for a measure of this kind, we might have pressed forward with other matters of more general public concern—such, for instance, as the matter of preferential trade, the selection of the Capital site, assistance to farmers, and other measures which, from the protectionist stand-point, certainly, one would have thought would have been regarded as of extreme urgency, and the introduction of which would have been much more satisfactory, not only for the Government, but for those who are compelled to vote against them on this amendment, and thus endeavour to oust them from their position.

Mr. MAUGER.—They are ousting themselves.

Mr. JOHNSON. — But with the assistance of the Opposition. If the Government are determined to commit political suicide, that is their affair. But it would

have been a better thing for themselves had they been defeated on a measure of vital policy, so far as the general interests of the country are concerned, and on which public interest itself was centred. I do not desire to go into the merits of the question involved in the Bill, because it seems to me to be futile at this stage to enter into *pros* and *cons*. But I should like to make reference to the subject of the enforcement of awards against States Governments. In reply to a question which I put to the leader of the Labour Party, he stated that if the States Parliaments refused to impose further taxation at the dictation of the Arbitration Court—which will not be constituted under their authority—that Court could order the cessation of railway traffic until the award was complied with. I do not say that those are his exact words—I have not got *Hansard*; but that was the purport of what he said, as I understood it. What does that contention involve? It involves the recognition of the right of an irresponsible tribunal to exercise powers denied to States Legislative Councils—the right to increase the taxation of the country and to dictate to Parliament in matters of financial policy. If I thought that such a thing could be seriously urged as a reason for supporting the proposed amendment, I should have no hesitation in opposing it, tooth and nail. But I think that the honorable member for Bland is wrong. I am in grave doubt about the expediency of this Federal Arbitration measure at all. One of the grounds on which it is brought forward is that of expediency. Expediency is a term for which I have a deep-rooted dislike. The term “expedient” has been used in almost every Act of Parliament which has had for its object the restriction of the rights of individuals. Nearly every statute which has contemplated the attainment of that end, has commenced with the words—“Whereas it is expedient.” Consequently the word “expedient” has been used to justify a multitude of public wrongs. That Courts of Conciliation are desirable for the purpose of dealing with industrial disputes, may, I think, at once be conceded, but, to me, the term “compulsory arbitration” has an objectionable sound. I do not like anything which savours of a negation of the freedom of the individual. It is true that we can fix a minimum wage by Act of Parliament, but we cannot force any employer to engage an employe at that wage. It is at that point that the principle of compulsory arbitration breaks down.

The CHAIRMAN. — The honorable member must confine his remarks to the amendment before the Chamber.

Mr. JOHNSON.—I shall endeavour to do so, although, in passing, I might observe that other honorable members, who are possessed of more parliamentary experience than I, have been allowed considerably more latitude. If we are to establish a Federal Arbitration Court, let us treat all workers alike, and not draw invidious distinctions between different classes of employés. My own opinion is that there is no need whatever for this Bill at the present time. That view is confirmed by the remarks of the Chairman of the New South Wales Public Service Board at the annual meeting of the Public Service Association, which was held in Sydney on the 7th inst. The Minister for Home Affairs has emphasized the fact that the public servants of the States have made no request to be brought under the provisions of this Bill. At the meeting to which I allude, Mr. E. S. Vautin, the president of the Public Service Association said—

They did not sympathize with the attempt to bring public servants in the different States under a Federal Arbitration Act. The Federal Government was apparently being pressed into placing all public servants within its scope. To his mind, it seemed very strange that any representative from this State should take any step in this direction without first ascertaining the views of the principal people concerned. In this State the public servants, who were now all under the Act and the Board, did not want to be interfered with by any outside tribunal. They had never asked for it, and they did not want it. They were free men, with the full rights of citizenship; therefore, why should an attempt be made to place upon their legs the shackles of industrial strife? They would make a strong protest against any such interference before their freedom was taken away.

Mr. G. B. EDWARDS.—He spoke for the higher officers of the service, and not for the rank and file.

Mr. JOHNSON.—Mr. Vautin spoke for an association which represents 13,000 employés in New South Wales. *The Public Service Journal*, which is the official organ of the Public Service Association of that State closes an antagonistic article on this subject thus—

What the general opinion in the service is concerning the question that has just been discussed we are unable to say. It may be remarked, however, that not a single request has been made to the Council of the Public Service Association to use their influence in support of the amendment in the Federal Arbitration Bill that the Labour Party intends submitting. On the other hand, the Council have been requested to oppose the

amendment. Our own opinion is that the inclusion of public servants in the Bill would be to them more harmful than beneficial, and that legitimate grievances in the service in New South Wales can be redressed without help from any Arbitration Court.

I agree with that expression of opinion. I am perfectly certain that the public servants of the States have no more sympathetic Courts of Appeal than the Parliaments by which they are employed. Reference has already been made to the comfortable positions which they enjoy, and to the general feeling of satisfaction which they entertain towards their employers. The honorable member for Gippsland touched on the generosity of Australian Governments generally towards their employés, and emphasized the fact that the liberal treatment accorded to the public servants of the States had not only prevented them from manifesting any desire to enter private employment, but had induced a desire on the part of many others to obtain employment under such generous masters. On the merits of the proposed amendments, I have, so far, an open mind. I mention these matters to show that there is no justification whatever for the feverish haste that has been displayed in pressing forward a measure of this character at the beginning of a session, which might have been devoted to useful legislation. The Government, however, are entirely responsible for that, and for any consequences which may follow their act. To my mind the crux of the present position is, not whether the employés of the States or the railway servants shall be included within the operation of this Bill, but whether a Ministry which is responsible for the mischievous legislation from which we have suffered during the past two or three years shall be permitted to continue to occupy the Treasury bench. I believe that that is the only consideration which will influence a great many honorable members on this side of the House in voting on this amendment. It is our duty to turn the present Government out of office at the earliest possible opportunity. I am pledged to that course. I only regret that I cannot make use of a weapon which would be more congenial to my taste. However, in political warfare, we are not always able to exercise a choice as to the weapons which we shall employ. Recognising the injury which the Government are doing to the prestige of Australia, I cannot reconcile it with my conscience to vote in such a way as will continue them in office for one

moment longer than is absolutely necessary. My only hope is that, as the result of the division, changes will be brought about in the near future that will lead to a Government taking office that will be more in accordance with our ideas of the basic principles of democracy. We wish to see government of the people for the people by the people, and I hope that we shall have a Government commanding a majority that will enable it, without any coercion on the part of a third party—no matter what that party may be—to carry on the affairs of the country in an effective manner. It is because I desire to bring about such a change that I for one am not prepared to do anything to assist the present Government to remain in possession of the Treasury bench.

Mr. ROBINSON (Wannon).—I cannot agree with the position taken up by the honorable member for Lang, that those who are opposed to the Government should make use of this opportunity, whether they favour the amendment or not, to oust the Ministry. There are few honorable members who desire more than I do to see the Ministry displaced; but I think that the price we are asked on this occasion to pay for their displacement is altogether too high. It would be, in my opinion, a death-blow to the Federal principles embodied in the Constitution, and I for one am not prepared to give it. I regret that any honorable member should be willing to do so merely to secure a change of Administration. The amendment has been discussed very exhaustively by the various legal members of the House, and I trust that I may be permitted to deal briefly with the legal aspect of the question. It is probably one of the most difficult with which the Parliament has yet had to deal, or will be called to face for many years. I listened with the greatest attention to the speech made by the honorable and learned member for Northern Melbourne, who appears to occupy the position of Attorney-General to the party responsible for this amendment, and I have also carefully read the *Hansard* report of his address. I agree with the general statement made by him that American decisions are largely inapplicable in the consideration of a case of this kind. Notwithstanding that the Prime Minister has expressed a different opinion, I believe that the honorable and learned member is right, and I am glad to find that the honorable and learned member for Indi—than whom there is no better authority—also holds the

view that the American decisions are not as binding on us as the Prime Minister would have us believe. The honorable and learned member for Northern Melbourne is correct when he asserts that the Australian Courts that have so far been called upon to determine Federal questions have held that American decisions are not binding. In the case of the *Income Tax Commissioner of Victoria v. Wollaston*, the Full Court of this State distinctly declined to follow American decisions, and in the well-known case of the *Bank of Toronto v. Lambe*, the Privy Council also refused to be bound by them. It appears to me that the Prime Minister made a serious slip yesterday when he stated that the last-named case turned solely on the construction of a local statute. As a matter of fact it rested largely on the construction of the Canadian Constitution Act of 1867. It is true that the local statute was discussed, but two questions were considered. The first was whether the local statute imposed a direct tax, while the second was whether, assuming that it did, the tax came into conflict with the well-known case of *McCulloch v. Maryland*, and was therefore void. After an elaborate argument for the appellants, the Court dismissed the appeal without calling on the respondents. It has also to be observed that in a more recent case *Halsbury, Lord Chancellor; Cotton, L.J., and Fry, L.J.*, distinctly held that American decisions were not to be binding on the Courts of the Empire, and should not be as freely quoted as they are. In these circumstances, it appears to me that the opinion expressed by the honorable and learned member for Indi, and the honorable and learned member for Northern Melbourne, that the American decisions are not binding on us, is a good one. The Constitution of the Commonwealth is an Imperial Act, and must be construed as such; so that the ordinary rules of construction which have been applied by the British Courts for the past 200 or 300 years in construing British Acts must be followed by us in dealing with our Constitution. In this connexion, I would draw attention to an article by Professor Harrison Moore, Dean of the Faculty of Law at the Melbourne University, which appeared in the *Journal of the Society of Comparative Legislation* for August, 1903, in which he states—

Both in the terms of the Commonwealth Constitution, and the existence of the Imperial relations,

there is abundant reason why we should pause before accepting American cases as final in matters of Australian constitutional law.

That is the position taken up by the honorable and learned member for Indi—a position for which I think there is ample authority, notwithstanding that the Prime Minister is imbued with the importance of the American cases. But the English decisions, on which the honorable and learned member for Northern Melbourne wishes us to rely, do not, in my opinion, advance his position. If we are guided by those decisions, we must see that the contention of the honorable and learned member that the amendment is a constitutional one falls to the ground. He has a better chance to establish his case under the American decisions than under those of the English Courts. I hold, as the honorable and learned member for Indi, as well as other honorable members, submitted last night, that the Crown is not bound, unless it is specifically mentioned, and that as sub-section xxxv. of section 51 does not mention the Crown, the Crown is not bound by it. I attach the greatest importance to the point to which reference was made last night by the honorable and learned member for Indi, that the words "This Act shall bind the Crown," which appeared in the covering clause, were struck out by the Imperial law authorities—and struck out with a view to retain as much of the prerogative of the Crown as possible. The honorable and learned member for Northern Melbourne last week put forward a contention which I think has very little foundation. At page 1035 of *Hansard*, he is reported to have said—

So far as I can find, however, in all cases in which it is intended to exclude the States, or to exclude States industries from the operation of the Constitution, express provision is made to that effect.

That is a distinct contradiction of every English decision, and of every principle of English law relative to construing clauses of which I have ever heard. In support of his contention the honorable and learned member drew attention to sub-section XIII. of section 51, which relates to State banking, and sub-section XIV., which relates to State life assurance, and claimed that because reference was made in those provisions to "State banking," and to "State life assurance," it was clear that it was desired to exclude the States. In other words, he contended that the States had to be specially excluded. He then went on

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to say that section 114, which prohibits the Commonwealth taxing the States, would be utterly useless unless his contention were sound. He asserted that that section was inserted in the Constitution because it was necessary to prevent the States being taxed by the Commonwealth, and that without that section—and this is the legitimate and only inference that can be drawn from his contention—the Commonwealth would have had the power to tax the States. The question that we have to consider is, therefore, whether this contention is correct—whether the States are bound, unless they are expressly excluded. I gather from an interjection made last night by the honorable and learned member, that he has some doubt as to whether the States Governments represent the Crown in the Commonwealth. I do not think that proposition is seriously arguable. The cases which we have had so far in Australia show beyond all question that the State is the Crown. That was held up to the establishment of Federation, and there is nothing in the Federal Constitution contrary to it. The decisions we have since had from the Courts do not detract from that in any way whatever. If we take the New South Wales Customs case, in which the question involved was whether the Federal Parliament had power, by means of Customs taxation, to tax the imports of a State, it was decided by the Full Court of New South Wales—and it was a unanimous decision—that the States were not bound unless expressly mentioned. That decision was come to absolutely independent of section 114, on which the honorable and learned member for Northern Melbourne relies. One member of the Court held that possibly section 114 told against the State of New South Wales in that case, but the Court unanimously expressed the opinion that, as the Crown was not specially bound in the sub-section regarding taxation, the State could not be bound, and they came to the conclusion that State imports are not liable to Customs taxation. That decision only bears out the decision in the well-known case of *The Mayor of Weymouth v. Nugent*, which very strongly supports the view taken by honorable and learned members who have argued from the stand-point from which I am arguing now. The corporation of Weymouth were entitled to levy tolls and dues on goods brought into that port. Certain goods

of the Crown were specially exempt from those tolls and dues. The Crown brought in other goods, and the corporation attempted to levy tolls and dues on them. A case was then brought to decide whether the Crown was liable to pay tolls and dues on those goods, and it was held that, notwithstanding the special exemption in favour of the Crown, and the well-known rule of construction, *Expressio unius est exclusio alterius*, the general rule as to the exemption of the Crown prevailed, and all goods of the Crown were exempt from those tolls and dues. Hence it seems to me that the position is undoubtedly that the Crown, which, in the interpretation of our Constitution, is as much the State as it is the Commonwealth, is not bound unless specifically mentioned. That is one of the oldest propositions of law. It is frequently referred to, and has been laid down again and again by the Courts. In Hardcastle's *Constitutional Law* the rule is laid down on page 387, in the fullest possible way, that the Crown is not bound by statute except named; or unless there is practically an irresistible inference of intention to bind the Crown. Looking at sub-section xxxv. of section 51, I ask whether there is disclosed in it an irresistible inference of intention to bind the Crown? I think not. In the first place, industrial disputes extending beyond the limits of one State seem to me, from the ordinary grammatical construction of the term, to refer naturally to disputes between private individuals, because it is difficult to see how a dispute between a State employed and the Government of the State can extend beyond the boundaries of that State. It is further to be noted that a particular section of the Constitution, section 107, expressly reserves to the States the powers not handed over to the Parliament of the Commonwealth. I take it that those powers must be handed over to the Commonwealth expressly, or by irresistible inference. That brings me again to the question, Is there an irresistible inference of an intention, the Crown not being named, that the servants of the Government should be liable to the provisions of sub-section xxxv? I do not think there is. The remarks of Lord Hobhouse in *re The Bank of Toronto v. Lambe*, are applicable. He said—

Their Lordships adhere to the view which has always been taken by this Committee, that the Federation Act exhausts the whole range of legislative power, and whatever is not thereby given to the Provincial Legislatures rests with the Parliament.

As honorable members are aware, the reverse applies here. In view of section 107 of our Constitution, I think there can be no doubt that their Lordships would hold that whatever is not thereby given directly, or by irresistible inference of intention, to the Commonwealth Parliament rests with the States Parliaments. This view is, I think, strengthened by the fact that there is no machinery provided by the Constitution for the enforcement of an award against a State. Honorable members must admit the force of the contention that there is no absolute method provided for enforcing a judgment against a State Government, which it seems to me is at any time a very difficult thing to do. I do not think that the honorable and learned member for Northern Melbourne would care to rely on his contention that the Commonwealth Government could deduct the award from the portion of Customs revenue returnable to the State against which the award was made. I think the honorable and learned member would admit that the constitutional provision for the return of three-fourths of the revenue from Customs duties is mandatory, and that it is not possible to avoid that provision.

MR. FISHER.—What, in the opinion of the honorable and learned member, is meant by "three-fourths" in that case? Does it mean three-fourths to each State?

MR. ROBINSON.—That has already been decided, as the honorable member is no doubt aware.

MR. FISHER.—That is what the people thought.

MR. ROBINSON.—The people did think that, but the Constitution does not say so. I sympathize with the honorable member on that point.

MR. FISHER.—I sympathize with the lawyers who did not point that out.

MR. ROBINSON.—Probably there were not enough lawyers in the Convention. That must have been the reason.

MR. TUDOR.—Not enough? How many would the honorable and learned member want—the whole fifty?

MR. ROBINSON.—Forty-nine would, I think, have been sufficient. If we examine the various clauses of the Constitution for the purpose of discovering whether the States are always bound unless expressly excluded we must come to the conclusion that the exceptions as regards State banking and State insurance are merely for greater caution—a caution which is often taken in Acts,

not only of Australian Parliaments, but also of the Imperial Parliament. *Weymouth v. Nugent* is an Imperial case, where the exemptions specially set out were held to be exemptions only for greater caution, and there is the decision of the New South Wales Full Court in the Customs case to which I have referred. If we look at section 98, dealing with the powers of the Commonwealth Parliament with respect to trade and commerce, and extending to navigation and shipping, we see that it expressly includes State railways. If the contention of the honorable and learned member for Northern Melbourne were correct, that section would be absolutely useless, because the power would have been contained in the Constitution without its insertion. In section 102 the Federal Parliament is given power to legislate with respect to preferential rates. In this important regard of interfering with railway income and expenditure, the States are expressly mentioned. If in the only instances in which the finances of a State are interfered with, express power is given for the purpose, there is practically an irresistible inference of intention that there being no such express power given in sub-section xxxv., that power does not exist. I desire also to express, with the greatest hesitancy, the opinion that it is arguable that the words, "Industrial disputes" may not cover disputes between a State Government and its servants. I think it is arguable to say that the State does not engage in any industry, notwithstanding the fact that the States have engaged in the carrying trade in Australia. I think it is arguable to say that that is not an industry, but that it is rather an ordinary function of government, carried on in Australia from the earliest times. It can, I think, be contended with some force, though I express the opinion with great hesitation, that the railways of Australia do not constitute an industry within the meaning of the words "Industrial disputes" in sub-section xxxv. of section 51. The Privy Council in the case of *Farnell v. Bowman* held that the local Governments in the Colonies, as pioneers of improvements, are frequently obliged to embark in undertakings, such as the construction and management of railways, which in other countries are left to private enterprise. That gives some force to the contention that it is open to doubt whether the States railways are an industry within the meaning of the words "industrial dispute." It has been said that those of us who are opposed to the Bill should not deal with a matter

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of this kind at all; but I do not think that that view has been seriously put forward. The matter is a very important one. We are asked to plunge the Commonwealth, now in the fourth year of its existence, into a quarrel with the Governments of the States, and those who have conscientious convictions against the wisdom of this course should not hesitate to express their opinion upon it. I think that the consequences of the measure, if it be passed, will be very serious. I hold, with the honorable member for Gippsland and the Prime Minister, that we have come to the parting of the ways, where the federalist must separate from the nationalist, and those who wish to restrict the Constitution to its true Federal intention must be arrayed against those who wish to make it an instrument for unification. Some of us differ from the Government upon other points, but we can still lend them effective assistance in defending the Constitution from these insidious attacks. If it will not be thought presumptuous on my part, I should like to express my admiration of the courteous way in which the Prime Minister and the members of his Government have conducted the business of the House since I have been a member of it. For some reasons I shall not be sorry when they leave the Treasury Benches. At times I have felt that nothing in their Ministerial life will become them like the leaving of it. But I do not wish to go quite so far as that to-night. I cannot reconcile it with my conscience or with my judgment to vote for a provision which I believe to be absolutely unconstitutional and likely to create bad feeling between the States and the Commonwealth, and which will do more to injure Federation than any other proposal which has yet been put forward.

Mr. LEE (Cowper).—To-night I part company with the leader of the Opposition. As a loyal member of a party, I like to follow my leader; but as in this case I differ from him on a question of principle, I cannot do so on the present occasion. I am very pleased that the members of the Opposition are able to deal with this matter with open minds, and to vote as they consider right in regard to the amendment. I consider that there was no need for the introduction of a Conciliation and Arbitration Bill at the present juncture. Compulsory arbitration is purely in its experimental stage in the States. Great things were hoped from the New South

Wales Arbitration Act, but they have not yet been realized.

Mr. DEAKIN.—Everything cannot happen in an hour.

Mr. LEE.—No; and I think the Government might have waited to see the result of the experiments of the States before bringing in a Commonwealth Arbitration Bill.

Mr. DEAKIN.—What about the result of the New Zealand legislation?

Mr. LEE.—I understand that fully half the labour in New Zealand is not under the provisions of the Act.

Mr. DEAKIN.—They get the benefit of it, although they are not registered in unions.

Mr. LEE.—Now that the Bill has passed its second reading, I think it the duty of every honorable member to try to make it as perfect as possible. I listened with great interest to the speeches delivered last evening by honorable and learned members who should be in a position to offer valuable opinions on the Constitution. The honorable and learned member for Indi supported the view that the Constitution allows the application of the provisions of the Bill to railway servants, but held that it is not expedient to so apply them.

Mr. DEAKIN.—He thought that the constitutional power was doubtful.

Mr. LEE.—The honorable and learned member for Bendigo, on the other hand, had no doubt as to it being contrary to the Constitution. Thus two of those to whom we especially look for guidance on a matter of this kind, and whose general opinions we respect, differ absolutely. Therefore, we are bound to find a rule for ourselves, by applying the test of common sense.

Mr. DEAKIN.—Follow the Government.

Mr. LEE.—I shall follow the Government when I think that they are right. They have brought in this Bill with a view to settling disputes between private employers and employes. If it be right, and a good thing, for the Commonwealth to interfere in such disputes, why should it not interfere in disputes between the States and their employes? If there is one section of men to whom its provisions should apply, it is the railway servants of the States. They are engaged in a great industrial work, and control the highways of trade and commerce. Surely they should be brought under the Bill.

Mr. DEAKIN.—We have not the power to bring them under the Bill.

Mr. LEE.—We do not wish to interfere with the control and management of the railways by the States, so long as they have a grip of their own affairs. But when a dispute extends beyond the limits of a State, the Federal tribunal is the proper one to deal with it. For that reason I shall support the amendment. I cordially agree with the provision in the Bill for conciliation, which is likely to be far more largely availed of than arbitration in disputes in which the States are concerned. Conciliation has proved effective in England, and there is no reason to doubt that it will be equally successful here. There is a higher court than that which it is intended to create under this Bill, namely, the tribunal of public opinion. What brought to an end the railway strike in Victoria? It was public opinion. As the Minister for Home Affairs has stated, such a strike would not come within the jurisdiction of the Federal Arbitration Court, even if railway servants are included within the scope of the Bill. It is only when the State is unable to deal with a strike that the Federal authorities will have jurisdiction. I am glad that the sorrow which appears to overwhelm some honorable members is apparently not shared by Ministers, who are meeting the situation with smiling faces. I welcome the prospect of a return to true constitutional government. The disclosures which have been made by the Minister for Home Affairs show that the position of the Government has been rendered almost intolerable, owing to their subjection to the dictation of the Labour caucus. Now the party which have kept the Government in power for the past three years will have to shoulder the responsibility which properly attaches to them.

Mr. WATKINS.—But the honorable member intends to support them.

Mr. LEE.—I intend to support them to-night, and I will go even further. If they introduce a measure which will have the effect of reducing the cost of the necessities of life they will find any number of supporters, but I do not propose to enter into any bargaining for concessions. I hope that the decision arrived at with regard to the amendment will have the effect of more accurately defining the true relations of parties in this House one to the other, and that we shall be able to carry on responsible government in the Federation under much more satisfactory conditions than hitherto.

Mr. WATKINS.—What party does the honorable member intend to follow?

Mr. LEE.—Like the leader of the Opposition, I want to know what terms are to be offered. If the Labour Party are prepared to bring in democratic measures, not in the nature of class legislation, but for the benefit of the whole community, I shall give them my hearty support. I intend to vote for the amendment, because I believe that States railway servants should be brought within the scope of the measure.

Mr. RONALD (Southern Melbourne).—I should like to recall the attention of honorable members to the purposes for which this Bill was introduced. It is a measure for the prevention and settlement of disputes extending beyond the limits of any one State. It appears to me that the opposition directed to the Bill arises from the fact that it makes provision for the prevention of trades disputes. The opponents of conciliation and arbitration are not ashamed to state that they prefer to fight matters out in the good old-fashioned way by means of strikes and locks-out, and, therefore, they are utterly opposed to anything that would have the effect of prevention, or which would deprive employers of the right to tyrannize over their employes, or the men of their right to dictate terms to their employers. No one, except a good old crusted Tory who believes in a *laissez faire* policy—more lazy than fair—would deny that a measure for the prevention of strikes or locks-out would confer immense public benefits. If this be granted, we cannot consistently refuse to extend the operation of the Bill to the utmost limits. The Government, however, deliberately propose to deprive an important section of the community, numbering perhaps 100,000, of the benefits of the measure. I find that in Victoria the public servants number 21,799. These comprise railway servants, school teachers, and employes in the Public Libraries, the Asylums, the Mint, the Law, Titles, Education, and other Departments. Can any man in fairness refuse to this large number of respectable citizens the boon which is to be conferred upon other sections of the community? We cannot in justice put a ban upon the Public Service. The man who would consent to be deprived of the right of appeal to the highest Court in the country would be a slave, and I would rather beg bread than occupy a position in the Public Service

under such a condition. Why should an invidious distinction be made to the disadvantage of a number of men who need the advantages that would be conferred by this measure, perhaps to a greater degree than any other section of the community? Large standing armies are not maintained necessarily in order to engage in war, but rather to prevent it; and similarly we create this Court, not necessarily for the settlement of disputes, but for their prevention. If a Court similar to that now contemplated had been in existence, and had been in a position to exercise jurisdiction over the railway servants of the States, the strike which recently occurred in Victoria would not have happened. We shall do well to remember that this measure is one for prevention. We cannot calculate the good that similar legislation has done in New Zealand, because we do not know how many strikes there might have been but for the beneficent provision of a Conciliation and Arbitration Court. For us, with our eyes open, to leave out of account something like 130,000 men and women throughout the six States, who would then have no appeal, would be to do an injustice, and to put a ban upon them as having sacrificed their rights by becoming servants of the States. If that be the attitude of the Government it is well that the fact should be known. It is with exceeding regret that I personally have come to the conclusion that, even if the life of the Government depended on my vote, I must support the inclusion of the States servants. I am sorry, also, that the stress of political weather has made such strange bed-fellows for the Government as we now see associated with them. I am glad, however, that the parting of the ways has come, and that it is on a first rate measure that the House is to be divided into Conservatives and Liberals, or into the progressive and stagnant parties. It is a case of *similia similibus congreguntur*. We never know who are the friends and who are the foes of democracy until measures are introduced, and this brings me to the first plank of the Labour Party's platform—measures, not men. I am exceedingly reluctant to say that I blame the Prime Minister for putting honorable members in the position in which they find themselves to-night. Had the Prime Minister taken my advice in connexion with the debate on the Address in Reply this would never have been made a question to determine the life or death of the

Government, because it is a detail, and not a principle. We have affirmed the principle of conciliation and arbitration, and we have no right to deny any class of the community the right of appeal.

Mr. DEAKIN.—We have no power to give public servants that right.

Mr. RONALD.—When doctors differ, who shall dare to agree?

Mr. McCAY.—When doctors differ patients die.

Mr. RONALD.—That is generally the case, and when lawyers fall out honest men get their own. I am no authority on the constitutional phase of the question, but if law and common-sense are synonymous, and State servants are excluded from the Bill, so much the worse for those who had a hand in drawing up the Federal Constitution—and the Prime Minister had a big hand in that work. We have no right, either in justice or in equity, to exclude public servants from this, the highest tribunal in all industrial matters. We must remember that the purport of the Bill is prevention and settlement.

Mr. DEAKIN.—Prevention is better than cure.

Mr. RONALD.—Exactly, and if public servants be brought under the beneficent influence of the Bill we shall never have a railway strike again. Had there been such a tribunal within the territory of Australia there never would have been a railway strike in Victoria—there never would have been such brutal tyranny in the treatment of a respectful body of men, if those men had had the right of appeal to a tribunal where justice and righteousness prevailed. If the Government believe that the Constitution will not permit of the inclusion of public servants, let the High Court decide as to the validity of the provision in the Bill as it is proposed to amend it. It is a large undertaking to amend the Constitution; but the Prime Minister has prepared the way for the High Court, if ever this question reaches there, rejecting the amendment to include public servants. This has been done by showing the doubts which are held, and which are expressed. I think, in order to prejudice the case before it reaches the Court. I should be exceedingly sorry if any fatality were to happen to the Bill, but, having pledged myself, I must in common honesty and decency, and for the sake of truth and political righteousness, demand that all industrial organizations shall come within the beneficent provisions of this Bill.

Mr. KENNEDY.—Will the Prime Minister be good enough to report progress at this stage?

Mr. DEAKIN.—As there are still nine other speakers on the Chairman's list, it is hopeless to expect to close the debate this evening. If, however, the debate be adjourned until to-morrow, it must be on the understanding that the ordinary business of Thursday shall be put aside, and Government business take precedence. By that means, and if speakers are as brief as they have been to-night, the vote ought to be taken early to-morrow evening.

Progress reported.

House adjourned at 10.40 p.m.

Senate.

Thursday, 21 April, 1904.

The PRESIDENT took the chair at 2.30 p.m., and read prayers.

PETITION.

Senator FRASER presented a petition from the President of the Central Council of Employers of Australia, praying the Senate not to pass the Navigation and Shipping Bill, but to recommend the appointment of a Royal Commission to inquire into its probable effects.

Petition received and read.

SPECIAL ADJOURNMENT.

Senator PLAYFORD (South Australia —Vice-President of the Executive Council).—As there is no business set down on the notice-paper for to-morrow, I move—

That the Senate, at its rising, adjourn until Wednesday next.

Senator DOBSON.—Why not until Tuesday next?

Senator PLAYFORD.—I consulted the Prime Minister, and he thinks that we might as well adjourn till Wednesday.

Question resolved in the affirmative.

VOLUNTEER RIFLE REGIMENTS.

Senator Lt.-Col. NEILD asked the Vice-President of the Executive Council, *upon notice*—

1. What was the enrolled strength of each of the four Volunteer Rifle Regiments of the New South Wales branch of the Commonwealth Military Forces on the 30th June, 1901?

2. What was the percentage of efficient in each of the said regiments on the 30th June, 1901?
3. The same particulars respecting the same regiments on the 30th June, 1902?
4. The same particulars respecting the same regiments on the 30th June, 1903?
5. The same particulars respecting the same regiments on the 31st December, 1903?

Senator PLAYFORD.—The answers to the honorable senator's questions are given in the form of a return, as follows:—

Regiment.	Strength, 30.6.01.	Percentage of Efficient, 30.6.01.	Strength, 30.6.02.	Percentage of Efficient, 30.6.02.	Strength, 30.6.03.	Percentage of Efficient, 30.6.03.	Strength, 31.12.03.
Scottish Rifles	635	91	601	81	555	78	*527
Aust. Rifles	626	95	535	73	463	56	370
St. George's							
Eng. Rifles	647	99	594	90	487	77	496
Irish Rifles...	782	86	640	81	458	79	481

* 1st Regiment, 412; 2nd Regiment, 115.

The percentage of efficient in the regiments on the 31st December, 1903, cannot be given, as the number of efficient can only be ascertained at the conclusion of each financial year.

STANDING ORDERS.

The PRESIDENT laid upon the table the first report of the Standing Orders Committee, which was read by the Clerk as follows:—

The Standing Orders Committee, having considered the paper referred to them, containing "Remarks and Suggestions on the Standing Orders," by the Honorable the President, beg to report to the Senate the following resolutions agreed to by the Committee:—

1. That in any case which may arise which has not been provided for by the rules, or in which the rules appear insufficient or manifestly inconvenient, the President should state to the Senate (after mature consideration, if possible) what, in his opinion, is the best procedure to adopt; in the event of no objection being taken by the Senate, this shall be the procedure until altered by the Senate.

2. That at the commencement of each session the President shall present to the Standing Orders Committee a paper formulating and tabulating all the decisions arrived at during last session, giving reasons (if it should be necessary to do so) why, in his opinion, any of his own decisions were incorrect, or any of the decisions of the Senate would lead to inconvenient results.

R. C. BAKER,
Chairman.

Motion (by Senator PLAYFORD) agreed to—

That the paper be printed and taken into consideration at the next meeting of the Senate.

PRIVATE BUSINESS.

Senator PEARCE (Western Australia).—I ask leave of the Senate to transfer my notice of motion for to-day relative to the adoption of the day labour system to this day fortnight.

The PRESIDENT.—It will be put down for that day.

Senator Sir JOSIAH SYMON (South Australia).—If this is being done with a view to the re-arrangement of business, would it not be very much simpler and better if Senator Playford were to move—subject, of course, to the assent of private senators who have notices of motion on the paper—any motion which he intends to make? If he will intimate to the Senate the course which he intends to take, possibly the business in the names of private senators could be re-arranged by one motion.

Senator PLAYFORD (South Australia—Vice-President of the Executive Council).—I understand that no honorable senator desires to go on with private business to-day, and it may simplify matters very much if I submit a motion for the re-arrangement of private business. I move—

That private business, notices of motion, and orders of the day be notices of motion and orders of the day for Thursday next, and that Government business, orders of the day be orders of the day for Wednesday next.

Senator PEARCE (Western Australia).—There is a matter arising out of the present order of business on the paper which I should like to see rectified if possible. Owing to an adjournment of the Senate the order of private business has been disturbed; and with the consent of the Senate the motion which I had moved relative to old-age pensions, although it is an order of the day, is set down for a Thursday, when notices of motion have precedence of orders of the day. I desire this business to be set down, as was intended, for a Thursday when orders of the day take precedence of notices of motion. Although it was the first notice of motion from a private senator, still, so long as notices of motion are handed in it will be postponed until it goes off the paper altogether. The President has ruled that days when the Senate did not sit shall not be counted, and, therefore, to-day I cannot say on what Thursday orders of the day will have precedence.

The PRESIDENT.—Perhaps I may explain this matter. I find that on Thursday, 3rd March, a sessional order was passed providing that orders of the day

(private business), should have precedence of notices of motion on alternate Thursdays. The business paper was accordingly arranged thus—

Thursday,	10th	March,	Orders
"	17th	March,	Motions
"	24th	March,	Orders
"	31st	March,	Motions
"	7th	April,	Orders
"	14th	April,	Motions

but on the 17th March, on which day motions had precedence, the Senate, at the commencement of the proceedings, resolved to adjourn, at its rising that day, until the 13th April. I read the expression "alternate Thursdays" in the sessional order to mean "alternate sitting Thursdays." Therefore, I directed the Clerk to place orders of the day first for the next sitting Thursday, namely, the 14th April, as will be seen by the business paper issued on the 18th March. I can easily understand honorable senators taking a different view, but that seemed to me to be the intention and wish of the Senate. According to the ordinary practice, Senator Pearce's motion will be placed third, but if the Senate so desire, it will be placed first on the paper for next Thursday.

Senator Lt.-Col. NEILD (New South Wales).—I would suggest that the business in the name of private senators should be allowed to come on in its intended order. I think, sir, that if you are not going to alter the rotation of order day and motion day, it will be better for Senator Pearce to put his business down for the first order day.

The PRESIDENT.—That is the 28th April.

Senator PLAYFORD.—The chances are that on that day no business will come on.

Senator Sir JOSIAH SYMON (South Australia).—As there is much uncertainty as to the time when the next parliamentary business will be transacted, what I would suggest to Senator Pearce is that if the motion of Senator Playford be carried, he can move to have his notice of motion taken, when the business is definitely arranged, for a day when orders of the day will have precedence. Although to-day week is the next day for private business, it may not be the day on which the business will be taken, and in that case his notice of motion will again be put off. The better

way would be for my honorable friend to assent to this formal motion, and next week, if the Senate is in a position to rearrange definitely its order of business, specific motions and orders can be dealt with. There can be no doubt that Senator Playford is pursuing the right course. Although, ordinarily speaking, the carrying of an amendment in a Government Bill in the other House—whatever the result of the vote may be—is not the cause of bringing about an adjournment of the Senate, and although the Senate has functions which are much greater than those of a Legislative Council, still we are only following the precedent which was set in 1901. We know that the amendment which has been moved in another place may have an effect which would be equivalent to a motion of censure. My honorable friend has not mentioned the reason for this motion, but we all know what it is, and there can be no doubt that it is the constitutional parliamentary course to pursue.

Senator TRENWITH (Victoria).—I understand you, sir, to have ruled that the expression "alternate Thursdays" means alternate sitting days. It further means the days on which the Senate sits. If that is so, it would be unwise to make any alteration in the paper. An honorable senator is entitled to the place he has obtained upon the paper, and the arrangement which the President has made seems to me to preserve to him all the rights and all the advantages he would have had if the Senate had continued to sit regularly. I, therefore, submit that there should be no alteration of the order in which business appears on the paper, seeing that the alternation intended by the Senate, in agreeing to the sessional order, to which reference has been made, is preserved by the action proposed to be taken by the President.

Senator PEARCE.—I withdraw my request.

Question resolved in the affirmative.

PAPERS.

Senator PLAYFORD laid upon the table the following papers:—

British New Guinea Report, year ended 30th June, 1903.

Transfers of amounts approved by the Governor-General in Council under the Audit Act.

Senate adjourned at 2.53 p.m.

House of Representatives.

Thursday, 21 April, 1904.

Mr. SPEAKER took the chair at 2.30 p.m., and read prayers.

ITALIAN IMMIGRATION TO WESTERN AUSTRALIA.

Mr. FRAZER.—In view of the serious influx of Italians into Western Australia, and the strong representations which have been made by all the members of this Parliament representing that State, will the Prime Minister cause a searching investigation to be made regarding the conditions under which those immigrants enter?

Mr. JOSEPH COOK.—Cannot the honorable member wait, and make the inquiry himself?

Mr. DEAKIN.—I am prepared to leave the recommendation that an inquiry be made.

PACIFIC CABLE AGREEMENT.

Mr. KNOX.—Is the Prime Minister prepared to give the House any information as to the position of the Pacific Cable agreement?

Mr. DEAKIN.—Honorable members will recollect that in the last session of last Parliament a proposal for a Conference in relation to the Pacific Cable emanated from the Dominion of Canada and New Zealand. The Government thought such a Conference unnecessary, but finally agreed to be represented upon it. Since then, in spite of repeated telegrams, we have been unable to learn either the date of the Conference, the number of representatives to be allotted to each of the interested parties, or, definitely, all the business to be dealt with. It is only a few days since, in response to an urgent cablegram, I received the information from London that they were still awaiting a reply from the Dominion of Canada which would convey the wishes of that Government upon the subject, and that the Government of Canada had been asked to make their reply a matter of urgency. I am not aware that it has yet been received.

Mr. JOSEPH COOK.—Nor is any reply likely.

Mr. DEAKIN.—The Government of Canada asked for the Conference, so that a reply was expected long ago.

Mr. JOSEPH COOK.—They asked for it before this Government entered into an agreement with the Eastern Extension Telegraph Company.

DISINFECTION OF TELEPHONE TRANSMITTERS.

Mr. KNOX.—In view of the infection which it is alleged may be communicated by the use of telephones, will the Postmaster-General, in future issues of the official list of subscribers, cause attention to be drawn to the need for disinfecting transmitters, and give information as to the method by which it can be best accomplished?

Sir PHILIP FYSH.—I am obliged to the honorable member for directing my attention to the possibilities of infection through the use of telephone transmitters, and I shall leave the recommendation, not only that his desire be carried out, but that the assistance of the medical fraternity be sought to obtain a knowledge of the most satisfactory disinfectants, and the best way of using them to secure success.

SOUTH AFRICAN TRADE.

Mr. McWILLIAMS.—I wish to know from the Prime Minister if steps have been taken in the direction of securing reciprocal trade arrangements with South Africa? I believe that the matter has been under his consideration for some time.

Mr. DEAKIN.—The only information which I can give to the honorable member is that correspondence has been exchanged, but I cannot charge my memory with the exact state of that correspondence.

BISLEY RIFLE TEAM.

Mr. JOHNSON asked the Minister for Defence, *upon notice*—

Whether he has any objection to lay on the table of the House the recommendations made by General Hutton on the subject of sending an Australian rifle team to Bisley?

Mr. CHAPMAN.—There is no objection.

POSTPONEMENT OF BUSINESS.

Motion (by Mr. DEAKIN) agreed to—

That general business and Government business, Order of the Day, No. 1, be postponed until after the consideration of Government business, Order of the Day, No. 2.

CONCILIATION AND ARBITRATION BILL.

In Committee (Consideration resumed from 20th April, *vide* page 1181):

Clause 4—

In this Act, except where otherwise clearly intended—

“Industrial dispute” means a dispute in relation to industrial matters—

(a) arising between an employer or an organization of employers on the one part and an organization of employees on the other part, or

(b) certified by the Registrar as proper in the public interest to be dealt with by the Court, and extended beyond the limits of any one State, but does not include a dispute relating to employment in the public service of the Commonwealth, or of a State, or to employment by any public authority constituted under the Commonwealth or a State. . . .

Upon which Mr. FISHER had moved by way of amendment—

That after the word “State,” line 12, the words “but does not include” be omitted, with a view to insert in lieu thereof the words “and includes.”

Sir LANGDON BONYTHON (Barker).—I think that I shall be able to compress what I feel it necessary to say upon the subject under discussion into very few words. With other honorable members, I recognise its great importance, and I am as sincerely wishful as any member of the Labour Party to do everything that may be possible by legislation providing for conciliation and arbitration to prevent industrial strife. But that will not prevent me from voting with the Government on the present occasion. I feel that no other course is open to me than to vote as I did when the measure was before the last Parliament. I told my constituents that what I did then I would repeat when the Bill came before us again. I made that statement in the most explicit terms, so that there might be no misunderstanding; and if I am to maintain a character for consistency I have no choice in the matter. I will explain why. When the measure which brought this Commonwealth into existence was before the people of South Australia, I was one of those who opposed its acceptance. Our ground of objection was that it was possible, we thought, to federate on a better basis than that provided for in the Draft Constitution. We were strenuous advocates of State rights, and were anxious that the Common-

wealth should not be an absorption of the States, but a Federation in the truest and best sense. I confess that our opposition was entirely fruitless. It was as ineffective as beating the air. I believe, however, that the people of South Australia did grasp one fact, and that they clearly and distinctly understood that the Federation would possess no powers other than those specifically given to it in the Bill. I am quite sure of this—that had any one demonstrated that in some innocent looking clause there lurked tremendous powers, which might be exercised by the Commonwealth at the expense of the States, the opposition in South Australia would have been strong enough to prevent the acceptance of the Bill. I say that, Mr. Chairman, because I believe that the people of South Australia were enthusiastically and unanimously in favour of the maintenance of State rights. I have listened with close attention to the clear, able, and comprehensive addresses which have been delivered to the Committee by members of the legal profession, touching the constitutional aspect of the case. Those addresses have confirmed me in my opinion that what it is proposed to do is unconstitutional. In my judgment, the speeches of the right honorable the leader of the Opposition, the honorable and learned member for Angas, and the honorable and learned member for Bendigo, have put the matter beyond all question. It has been said that if the inclusion in the measure of public servants and railway men be *ultra vires*, the High Court will tell us so, and that we should leave the discovery and the decision to that tribunal. I must confess that that suggestion does not commend itself to me. But, even conceding that what is proposed be not unconstitutional, I would ask—Is it wise to do what is suggested? Is it expedient? It seems to me that the answer to each of these questions is “Emphatically, no.” I believe it to be in the highest degree unwise and inexpedient. The possibilities of trouble—and those possibilities are neither imaginary nor insignificant—have been fully set out by previous speakers, and to a large extent I indorse what they have said. There could not fail to be friction between the States and the Commonwealth. That seems to me to be inevitable, if any good is to result from this legislation. The States would never consent to their financial arrangements being interfered with by an outside tribunal—a body unknown to them, and in the creation of which they had had no

hand. Personally, I should like to have it understood that I have no objection whatever to railway employes and public servants being brought under the operation of Conciliation and Arbitration Acts. But they must be the Acts of the local Parliaments. Of course, when the railways are taken over by the Commonwealth the men employed upon those railways will be subject to Federal legislation. But is it wise to distrust the local Legislatures? To me it appears that it is entirely unwise to do so. My attitude, as must be evident from what I have said, is not in the least degree governed by the recent strike of railway men in Victoria. I thought that that strike was a tactical mistake, but I expressed the opinion that the men received great provocation, and were very unfairly treated. At the same time, I entirely agree with the honorable and learned member for Indi, that Victoria must be left to control her own affairs, and I am quite satisfied that the people of Victoria may be depended on to act justly. This Parliament should be very careful indeed not to attempt to interfere with matters that are not definitely brought within the jurisdiction of the Commonwealth. It may be advisable in the future to extend the operations of the Commonwealth. But in that case the people in their wisdom will alter the Constitution in any way they think desirable. I was a little astonished in listening to the honorable member for Melbourne at the attitude which he took up. He stated that he and some other honorable members had been returned to this Parliament pledged to vote for the inclusion of the railway men and the public servants in this Bill. He seemed to think that it was a matter of no importance whatever whether their inclusion were constitutional or not. I should like to point out that, if every member of this Chamber were returned similarly pledged, that would not be a mandate to this Parliament to disregard the Constitution; it would simply be a direction from the people to amend it. I cannot say that I am at all pleased at the fact that the Ministry are going out of office. To me it is a cause of regret. In this particular, I must differ from the right honorable the leader of the Opposition. He seems to think that there is nothing creditable in the record of Ministers; but I am satisfied that when the historian comes to write of this period, he will not speak in terms of disrespect of either the Barton or the Deakin Ministry; and I am sure it will be remembered to the credit of the present Prime

Sir Langdon Bonython.

Minister that, differing from the ordinary politician, he preferred to surrender office rather than to sacrifice what he regarded as a matter of principle.

Mr. WEBSTER (Gwydir).—I rise to address the Committee on the question at issue, because at the second-reading stage I thought it unnecessary to offer any general remarks, believing that the matter had gone so far that there was no room for doubt as to the wisdom of the adoption of a law having for its purpose the establishment of an Arbitration Court. Consequently I determined to save the time of the House by not offering any remarks on the motion for the second reading. But in view of the discussion which has taken place on the amendment which has been moved by the honorable member for Wide Bay, I deem it to be my duty, not only to the Committee, but to my constituents and to the people of the Commonwealth, to express my opinions without fear or favour upon the various aspects of the case as it has been debated by various honorable members. When before my constituents I took up the attitude that I was entirely in favour of the inclusion of civil servants in the Arbitration Bill. But I expressed the opinion that I did not think that it would be constitutional to do so. I maintain that in expressing that opinion I had due regard to what would be necessary provided this Parliament refused to include them. I am satisfied that my constituents thoroughly understood the basis upon which I advocated the inclusion of States servants within the four corners of this measure. My idea of arbitration is that it is the harbinger of a higher civilization. The tendency in modern times is to refer not only industrial disputes, but disputes between nations, to a peaceful arbitration rather than to resort to the arbitrament of war, and I consider that in urging that public servants should be brought within the scope of the Bill I am advocating a principle in harmony with the development of the thought of the age, and the advance of reason. I am satisfied that the opponents of this class of legislation believe in the old adage that "might is right." The party to which I belong, however, believe that right should prevail, and that the only way in which we can arrive at a just decision regarding the rights and wrongs of any question is by submitting it to a Court of equity and good conscience. I do not think I need say anything further to indi-

cate why I support the principle of arbitration and the proposal to bring public servants within the operation of the Bill. A question that has not been touched upon to any great extent during this debate is whether the public servants would be better treated by the proposed Court than by the tribunals at present constituted for the purpose of dealing with their claims and grievances. I have no hesitation in saying that we should have a purer administration if the public servants had the right to appeal to an Arbitration Court, such as that now proposed. I know that it is claimed that under the administration of the Public Service Boards established by the Federal and States Governments, political influence has been done away with, but an influence more insidious, viz., of a social character, has penetrated to the very core of the service. I believe that the family and social influences which are now operating so largely in connexion with appointments and promotions in the Public Services of the States and of the Commonwealth would not be so powerfully exerted if the public servants had the right of appeal to a Court of Arbitration which would be able to investigate grievances arising out of improper appointments and promotions. Such a Court would undoubtedly prove of immense advantage to the railway servants of the States. Some three years ago the New South Wales Parliament passed an Arbitration Act which embraced the public servants of the State. I do not contend that this Parliament could exercise the same complete authority as the States Parliaments over the States servants; but that does not affect my contention that it is advisable to bring States servants within the scope of this measure. I maintain that it would be good for the public servants, for the States, and for the Commonwealth if the administration of the Departments were as far as possible placed beyond the reach of political or social influences. I have listened very attentively to this debate, and I must confess that I have not received the enlightenment I expected. If I had had to depend for light and leading upon honorable and learned members who took part in the proceedings of the Convention, and succeeded, as lawyers only can, in making the Constitution more confusing than it otherwise would have been, I should not have been any further forward than before the debate was opened. The Prime Minister made an appeal to us upon constitutional grounds, and afterwards told us that

he also considered that it would be inexpedient to bring States servants within the scope of the proposed law. I do not consider that it is within the province of the Prime Minister or any honorable member to interpret the Constitution. It has been stated by some honorable members that when this question of conciliation and arbitration was considered at the Convention, no member of that body—not even the author of the provision—realized how far the application of the sub-section might be extended. That has nothing to do with us. The question is, can it be so extended as to enable us to give the relief needed by the public servants of the States. With all due respect to the Prime Minister's opinion, I consider that he has not adopted the course best calculated to dispel the legal doubt which exists as to the extent of our powers under the Constitution. Why should he not be content to rely for the interpretation of the Constitution upon the tribunal which has been specially created to perform that function? He says that he is absolutely certain that his reading of the law is correct, and therefore he should not be afraid that the High Court will adopt a different interpretation. Some members of the Convention have given us the benefit of their recollection with regard to the deliberations of that august body, and the intentions of the framers of the Constitution. But we need not attach much weight to their impressions, because the Constitution itself provides that if any doubt should arise as to the interpretation of the Constitution, the High Court shall decide. It is simply playing at politics for gentlemen of the experience of the Prime Minister and the Minister for Home Affairs to ask honorable members to vote upon this question as one of principle. Where is the principle which they allege is at stake? If the Prime Minister accepted the amendment, and allowed its constitutionality to be decided by the High Court, what would he lose by so doing? Personally, I entertain the same opinion as he does regarding the unconstitutionality of the proposal, but nevertheless I conceive it to be my duty as a representative of the people to submit this particular disagreement to the tribunal which has been especially established to interpret our charter of government. I have looked for light and leading amongst the legal members of this House, and after listening patiently to their utterances during the course of this debate, I no longer wonder why the Constitution was framed in

such a way as to provide a harvest feast for all time for the legal fraternity.

Mr. CONROY.—If the honorable member has no confidence in the legal fraternity, why create still more Courts?

Mr. WEBSTER.—Some of the legal members of this House who were delegates to the Federal Convention hold that the proposal under consideration is perfectly constitutional, whilst others just as determinedly maintain that it is not. For example, the honorable and learned member for Darling Downs takes up the position that it is undoubtedly constitutional, because it affects the question of trade and commerce, which is one of the thirty-nine subjects upon which we are empowered to legislate. I fail to see that his argument justifies the conclusion at which he arrives. He claims that because sub-section xxxiv. of section 51 of our Constitution deals with certain matters, including railways, we are justified in removing the railways from the control of the States, and in interfering with their financial management. As a layman who is not even an academy student, or a University man, but one who has just come as a recruit from the end of a pick handle, which has been my pen through life, I fail to understand how the honorable and learned member hoped to establish his case.

Mr. CONROY. — The question is whether the honorable member has confidence in the Government or not.

Mr. WEBSTER.—If the honorable and learned member will seal his steam valve for a brief interval, I shall endeavour to compress my remarks into as brief a space as possible. I have no desire to cross swords with him, because he is too good-natured to fight.

Mr. CONROY.—I wish to help the honorable member.

Mr. WEBSTER. — The honorable and learned member is so kind that he desires to assist every member who addresses the House, but the trouble is that instead of doing so, his interjections serve only to confuse them, as is evidenced by the fact that early in the first session of the last Parliament his own leader was compelled to appeal to him to give him a chance. Then we find that the honorable and learned member for Bendigo holds a contrary view to that expressed by the honorable and learned member for Darling Downs, and argues it with

equal confidence, whilst the honorable and learned member for Indi is thoroughly satisfied that though the proposed amendment is perfectly constitutional it is inexpedient to adopt it.

Mr. KENNEDY.—He said that he could not express a definite opinion.

Mr. WEBSTER.—No. He expressed a definite opinion as to the constitutionality of the proposal. He said, in effect, "Fancy the Commonwealth not having the power to assume control of the States railways in the event of war, when they would be required for defence purposes." That contingency was suggested in support of his argument that the amendment is constitutional. But I would point out that under sub-section xxxii. of section 51, special provision is made for the Commonwealth assuming control of the railways for purposes of defence, and, consequently, the reasoning of the honorable and learned member is robbed of all force in that connexion. I have attempted, without success, to gain information from the utterances of the various legal members who have addressed this Chamber, and I am, therefore, compelled to rely upon my own common-sense. Upon previous occasions I have had to act in a similar way. I have opposed legal opinion, when that opinion was practically unanimous. I have fought my case, and won it. That is indicative of how far legal opinion is to be trusted, even when it is unanimous. When the Commonwealth Constitution was being debated throughout Australia, the Prime Minister was a Billite at any price, whereas I was an anti-Billite, in a humble capacity, and for very good reasons. Consequently the honorable gentleman holds a very different position from that which I occupy. He stands in the relation of godfather to our Constitution. He believes that that charter of government is more or less perfect, and, therefore, does not like to turn his back upon it, and submit this proposal for the decision of the High Court, because the judgment of that tribunal might upset his opinion regarding its unconstitutionality. As I did not father the Constitution when it was being discussed throughout Australia, I am free to declare that, whilst I agree that the amendment is unconstitutional, I am perfectly consistent in going a step further, and allowing the High Court to decide the question. Should that tribunal determine that it is unconstitutional, so convinced am I of the wisdom of establishing an Arbitration Court, to which the

public servants of the Commonwealth and the States, including the railway employes of the States, may appeal, that I am prepared to advocate an amendment of the Constitution in that direction, and to allow the people to say whether or not they agree with such a proposal. That is a perfectly consistent attitude to adopt. I am surprised that, upon a pretext of this kind, the Government are prepared to sacrifice office.

Mr. CONROY.—The honorable member ought, rather, to be surprised at their firmness.

Mr. WEBSTER.—I do not know that their action is altogether prompted by firmness. I am not so satisfied as is the honorable and learned member, that the real cause of their present attitude is to be found in the constitutionality or otherwise of this proposal.

Mr. CONROY.—“They did not know it was loaded.”

Mr. WEBSTER.—I think that they did, and I shall presently give my reasons for so doing. I believe that they are aiming in an entirely different direction from that which is generally supposed. It appears to me that the Prime Minister is unprepared to act upon his own interpretation of the law. Notwithstanding that his view is supported by the honorable and learned member for Bendigo, he fears to join with his colleagues in giving effect to what he maintains to have been the intention of the Convention, in inserting in the Constitution the provision relating to conciliation and arbitration. I have never yet heard of a Government staking its existence on such a question as this. On the contrary, I have known Governments, in order to avoid their political annihilation, to cling to a pretext such as that which has been advanced by the Prime Minister, as a reason for his opposition to the amendment. We find this Government prepared to leave office, and to throw the House into a state of confusion, without any sufficient reason. But the matter is one which solely affects the Government, and I do not intend to quarrel with the Prime Minister as to the attitude which he deems it necessary to take up. He has a perfect right to adopt whatever attitude he thinks desirable, provided that it is a straightforward one, but he should take care to show the House that there is no reason other than that which has been given by him for the course which he has decided to pursue. The common-sense interpretation must, after all, override any purely technical

construction of the sub-section, and therefore I do not propose to discuss mere technicalities. Hour after hour has been spent by the lawyers of the House in discussing the prerogative of the Crown, but to that phase of the question I shall not address myself. I recognise that my duty is to assist in the proper administration of the Constitution, and that the kernel of the whole question is to be found in the point relating to taxation. We have to ask ourselves to what extent does the Constitution permit us to trench upon the powers of the States Governments in regard to taxation? I agree with the argument advanced by the Prime Minister that the amendment undoubtedly involves the inference that its application to the public servants of a State might bring the Commonwealth into antagonism with the States Governments. For the sake of argument, let us assume that a dispute arises among public servants in New South Wales, and that, as was thought to be likely in the case of the Victorian railway strike, it extends to the servants of another State, with the result that the Arbitration Court is called upon to deal with it. In such a case the Court might make an award requiring an increased wage to be paid to the men in one State, and compliance with that decision would mean an increased charge on the State concerned. That would naturally lead to a great deal of commotion among members of the State Cabinet, because it would be considered that there had been an invasion of the rights of the States. The State Government might have its railway estimates before the House at the time of the occurrence of a dispute, and if the Court made an award involving an increased expenditure on the part of the State, it would be felt that an unconstitutional action had been taken. We have, therefore, to consider to what extent we may legitimately interfere with the finances of the States. In my opinion, we have no right to interfere with their finances, and in that respect I agree with the view expressed by the Prime Minister. But whilst I agree with the Prime Minister's contention with regard to the unconstitutionality of the amendment, I cannot agree with the conclusion arrived at by him. I fail to understand why the honorable and learned gentleman should refuse to accept the amendment, and to at once give the people the benefit of a measure of this kind, leaving it to the High Court to determine the constitutionality of

the proposal now before us. Does he not recognise that by passing the amendment we shall give the High Court an opportunity to decide the question of constitutionality, and that that course would be in the interests of the Parliament and the people?

Mr. DEAKIN.—Even if we have the power it is very unwise for us to use it at the present time.

Mr. WEBSTER.—If we accept the Prime Minister's view of the position, and simply pass the Bill as introduced, we shall practically make it impossible for the public servants of the States to secure the benefits of legislation of this description. The Bill as it stands expressly excludes public servants from its operation.

Mr. DEAKIN.—Until it is amended they cannot avail themselves of it.

Mr. WEBSTER.—That is the difficulty. By allowing such a provision to pass we run the risk of taking away a possible right.

Mr. DEAKIN.—We have not the power to take away any right.

Mr. WEBSTER.—Once we pass the Bill with an express provision to exclude public servants from its operation we shall make it much more difficult than it now is for them to obtain the advantages of such legislation. With all due respect to the Government, I cannot help saying that I have very grave doubts as to whether they are not unwittingly inserting in the Bill a provision which may restrict the power of the public servants to claim a right that may be self-evident in the future. The argument that no case has yet occurred which indicates the necessity for the amendment is not sufficient to induce me to vote against it. We have to legislate not only for to-day, but for the future, and it is our duty to make provision for contingencies. I regret that the Prime Minister is prepared to include in the Bill a provision which, apart altogether from what may be their present position, may deprive public servants of their rights in the future. It is recognised by students of constitutional history that a law once passed must be accepted as a precedent. If we pass this Bill without inserting the proposed amendment it may be regarded as an indication of the view which we take of our constitutional powers, and undoubtedly would influence the High Court.

Mr. POYNTON.—And by the advice of members of the Federal Convention.

Mr. WEBSTER.—Undoubtedly.

Mr. CONROY.—They must strive to give effect to the law, if possible.

Mr. WEBSTER.—That is so; but when there is a doubt, let there be an appeal to the tribunal which the people have set up.

Mr. CROUCH.—A few moments ago I thought that, according to the honorable member, lawyers were of no use.

Mr. WEBSTER.—I am indicating how untrustworthy lawyers are as guides in matters of constitutional law. I beg the honorable and learned member for Werriwa to remember that I am merely a novice in this House, and I do not desire my line of argument to be broken by what are possibly irrelevant interjections. I was saying that an argument was used by one of the legal gentlemen in reference to the section of the Constitution which governs differential rates. We have heard arguments on the question of trade and commerce and State rights; and now we find it contended that because the Convention gave power to this Parliament to establish a medium whereby the differential rates prevailing in the various States could be regulated, the Convention practically gave us the right to take over the control of the States railways. No such argument, however, is borne out by a study of the Constitution. Differential rates are specifically provided for by an Inter-State Commission, which, although it may directly or indirectly interfere with the revenues of a State railway or States railways, will have the right to do so under the Constitution. I have not heard or read of any argument from legal members who oppose the amendment, except that which, if it can be called an argument, is drawn from the recollection of those august gentlemen who assisted to frame the Constitution. As the Minister for Home Affairs said last night, if it were twenty years or forty years hence, when many of those gentlemen had gone to their last home, and could no longer be called upon to give evidence, we might doubt their opinion as to the interpretation of the law. But we are not here to depend upon the recollection or impressions of men, no matter how honestly they may be inclined, nor how clear their minds. We are here to deal with the Constitution which they in their wisdom handed over to our control for the government of this great Commonwealth; and there is no reasonable excuse on the part of the Go-

vernment for adopting their present course with a view to debarring the public servants of the States from coming under this Bill. The Minister for Home Affairs last night made an impassioned speech in that rugged style which is so characteristic of his utterances. The right honorable gentleman adopted a fighting attitude, as he called it, and, seeing that he has not yet had a serious encounter, he may be "rusting for a fight." I was rather impressed with the personality of the right honorable gentleman, who, at least, has the courage of his opinions—a point I like about an opponent. I would rather have a straight-out opponent, who tells me what he means, than one who tries to shield himself behind a subterfuge not in accordance with what we can reasonably see underlies his arguments. I am satisfied that the Minister for Home Affairs wanted the House to decide this constitutional question on his recollection of the intention of the Convention. I do not mistrust the right honorable gentleman's recollection, and I have no doubt that what he says is correct. If he and his colleagues, who are now giving us their recollections of the Convention, were the constitutional body to decide this question, I could readily accept their dictum; but we have a High Court that has been established for the purpose of interpreting the law, and while we have that Court I fail to see to what other Cæsar we should appeal. I do not think I need say much more on this aspect of the question. I have already indicated that I came into this House as a supporter of the principles contained in the amendment now submitted to the Committee. I came here with a clear understanding that, whilst I supported the principle of the amendment from a humanitarian and progressive standpoint, I should act in the full knowledge that, owing to the Constitution, we might have to appeal to the High Court, and then to a still higher court, namely, the people, by way of a referendum, for an amendment of the Constitution in order to gain the object so much desired. Whilst I differ from some of my colleagues in regard to the constitutional aspect of the question, I am absolutely in agreement with them as regards the wisdom of applying an arbitration law to the railway employes and other public servants of the States. I was very much interested and amused by the change that took place in this debate yesterday, a change which certainly broke the monotony of the proceedings in a most remarkable

way. Our worthy friend, the Minister for Home Affairs, threw a new light on the question. The right honorable gentleman started off by telling us, in his blunt style—"Now, boys, do not be in too big a hurry, because I have something behind; and I shall let you know what it is before I finish." The right honorable gentleman said that as if he meant it, and, as I believe he meant what he said, I can quote and criticise him with confidence. The Minister for Home Affairs said that, when that remarkable speech was delivered by the Prime Minister at Ballarat, it was understood throughout the length and breadth of the Commonwealth that the days of what has been called the triangular form of government were over—that the dictation of a third party in Parliament could not be borne any longer, at any rate by the gentleman who delivered that speech. I presume that the Minister for Home Affairs heartily agreed, as he said he did, in that conclusion.

Mr. DEAKIN.—That was not the Ballarat speech, but a speech delivered in Melbourne in February of this year.

Mr. WEBSTER.—The Minister for Home Affairs said the speech was delivered at Ballarat, and, if he was wrong, I apologize for him in his absence. At any rate, the right honorable gentleman said that it was well known in Parliament, and outside, that the triangular form of government had become irksome to the gentlemen who hold the Treasury benches, and could not much longer be tolerated. Am I to understand that that is the real reason why the Government are taking this amendment so seriously? Is it because of the constitutional aspect of the question—is it because the Government fear that the High Court will interpret the law in antagonism to the opinion of the Government; or is it because it provides a means by which a blow may be struck at what is called the triangular party in this House? After listening to the address of the Minister for Home Affairs, I am inclined to think that that really showed us the milk in the cocoanut. I am disposed to believe that the right honorable gentleman explained the real object of the Government, and that their opposition to this amendment is only an excuse. The Minister for Home Affairs last night told us that in order to carry this amendment we were prepared to sacrifice the shearers, the seamen, and the men engaged in various other trades, who would be benefited by this measure. I ask the right honorable gentleman

and his colleagues who it is that is really sacrificing these men? Is it not those who will not allow us to proceed with this legislation, and permit the point in dispute to be submitted to the tribunal set up by the people for the interpretation of our laws. The right honorable member for Swan yesterday made these pregnant remarks—"We are tired of saying 'Yes, Mr. Watson,' and in future it will be, 'Yes, Mr. Deakin,' or, 'Yes, Mr. Reid.'"

I think what the right honorable gentleman would like is that it should be all the time—"Yes, Sir John." That is the natural inference to be drawn from his speech. He longs to be the king that he has been for so long in another place; it is irksome for him to be dethroned in this manner in the Federal Parliament, and, therefore, he would like to do away with the awkward triangular element in this Chamber.

Mr. CONROY.—The right honorable gentleman said that he had been bossed by the Labour Party all through.

Mr. WEBSTER.—I do not say that the right honorable gentleman admitted that the Government had been bossed by the Labour Party, but he seems to have felt that the members of that party have been ungrateful and unkind to the genial Prime Minister, who has treated them so well in this Parliament. The right honorable gentleman appealed to us in words which went to my heart when he told us how much consideration the Prime Minister had shown members of the Labour Party in this Parliament. The sting, however, lay underneath all the time, when the right honorable gentleman was criticising the Labour Party and condemning the caucus. The caucus has been criticised more than any other institution during the last five or six years of Australian history. Whilst the right honorable member for Swan condemned the caucus, he cannot deny the fact that, as a member of the Government, he has been bound by the opinion of the majority in the Cabinet, just as we have obeyed loyally the will of the majority in the caucus.

Mr. CONROY.—The Cabinet has been bound by the caucus, on the right honorable gentleman's own admission.

Mr. WEBSTER.—I do not intend to put words into the mouth of the right honorable gentleman. What I desire to convey is that, in my opinion, he spoke as he thought, and the importance of his statement lies in the fact that it differed so much from what has been said in this Chamber before. The right honorable

gentleman endeavoured to cast odium upon the party to which I belong, which it has never deserved. We have not occupied the Treasury benches, and we have not been influenced by the emoluments of office in proposing legislation for the welfare of the people. As a political party we have only one mission in Parliament, and that is by every legitimate means to secure the passage of legislation which we calculate will be beneficial to the people of Australia. Is not that a noble mission? Can the Prime Minister or the Minister for Home Affairs find anything to jeer at in the aspirations of the party to which I belong? Undoubtedly they cannot. The Government have done well in aiding and in being advised to some extent by the Labour Party. They have rendered the party assistance by placing upon the statute-book laws of which we are proud, and of which posterity will be proud when we are no longer here. On that account we feel grateful to the Government—not for ourselves, but for the people whom we represent.

Mr. CONROY.—Posterity may be proud of those measures, but the present generation is not.

Mr. WEBSTER.—It frequently happens that those who try to see too far fail to see what is occurring under their very noses. Can any honorable member in this House arrogate to himself the power to decide whether the present generation is or is not satisfied with the laws which have been passed in this Chamber, when they have not been applied for more than a day in the history of a nation? Some men expect us to believe what they say with regard to the disaffection of the present generation on account of legislation which has been passed before that legislation has been brought into operation, and before the people have been enabled to realize the beneficent purposes which those who passed it had in mind. It is preposterous for men to put themselves forward as the interpreters of the opinion of the present generation upon questions upon which the people have had no opportunity to arrive at a conclusion.

Mr. POYNTON.—The result of the elections is a complete reply to the honorable and learned member for Werriwa.

Mr. WEBSTER.—I desire to be fair, and I am prepared to admit that the result of the election is not a complete reply. I shall not turn to the right or to the left unless I am justified by reason and common sense in deviating from the direct course. The party which is credited with having

forced from the Government the progressive legislation against which there has been such an outcry has been returned to this Parliament with a larger following than it had before. I do not say that that is because the present generation have realized the benefits of that legislation, because the ink with which it was printed is hardly yet dry on the statute-book; but their support is our reward for having done what we promised on the hustings. They wished us to do certain things, in their interests, and for the benefit of those who are to follow them, and we have carried out the programme which we put before them at the inception of Federation. The Minister for Home Affairs stated yesterday that he knew of no case, unless it might be the 1890 strike, in regard to which a law of the character now proposed would come into operation. Surely a statement of that kind cannot be regarded by men who look to the future as an argument against legislation. We are making laws, not for what has been, but for what may be. We have to consider the history of the past only so far as it affords indications of the need for legislative interference. The right honorable member was right in referring to the strike of 1890 as a dispute which would have come under the operation of the law which we wish to enact, supposing it had then been in force; but other cases in point have occurred since then. For instance, the Victorian railway strike, because of which no doubt the measure now before us is obtaining considerable support, might easily have extended beyond the limits of Victoria, and probably would have done so had it continued. If there be a similar occurrence in the future, and resort has to be had to the semi-barbaric method of quelling it by the introduction of a Coercion Act, the blame will lie at the door of this Government, because they did not, in times of peace, when there was no panic, endeavour to formulate a peaceable and legal method for settling all such disputes. The right honorable member also said that the members of the Convention, when agreeing to the section of the Constitution under which this action is being taken, never dreamt that it would be sought to apply the provision to States servants, and he appealed for confirmation to the honorable and learned member for Northern Melbourne. No doubt the members of the Convention did not contemplate anything of the kind, because the question did not then become one of live political interest. Nothing had occurred to stir up feeling in regard to it; but is that a reason

why, now that we see the necessity for extending it in the manner proposed, we should not exercise to the fullest extent the powers given us by the Constitution? I appeal to the Prime Minister, even at this late stage of the debate, to crown his record by allowing the amendment to pass unchallenged.

Mr. DEAKIN.—And destroy the Federal principle? That is the whole point.

Mr. WEBSTER.—The Federal principle cannot be destroyed, because it will be defended by the High Court which the last Parliament brought into existence. I appreciate and admire the Prime Minister's desire to preserve the Federal principle. At the same time I do not see where his argument comes in.

Mr. DEAKIN.—If the honorable member did, he would be convinced by it.

Mr. WEBSTER.—I would be convinced by it if I saw as the honorable and learned gentleman sees. When speaking on the Address in Reply, I referred to this matter, and the Prime Minister then objected that I had not heard the point argued. I thereupon ceased my remarks, in the expectation of later hearing something which would bring conviction to my mind that the course which I propose to follow is the wrong one. Like a wise man, I was ready to sit at the feet of legal intellectuality. But what I have heard during the present debate has not caused me to move in the least from my original conclusion. As I have already said, I agree with the Prime Minister that the amendment may be unconstitutional, in interfering with the sovereign rights of the States. I was an anti-Billite, and wished for another form of Federation than that offered to the people by the Draft Constitution. I wanted more elasticity in the Federal Constitution. If I could have had my way, I should have prevented the Constitution being accepted by the people, so that it might have been made more capable of being applied to the changing requirements of a young country, which, after all, demands a Constitution of an elastic character more particularly than does an old established community. As an anti-Billite, I am in no way acting inconsistently when I say that I want the principle of this measure extended further. I cannot understand why the Prime Minister cannot agree to refer the question to the constitutional authorities. Of course that is for him to explain. I am myself quite satisfied on the point of constitutionality. With regard to expediency, I am not so

antagonistic towards it as was an honorable member who spoke last night. I regard expediency as applicable to many institutions and many political relations.

Mr. DEAKIN.—When the honorable member has power.

Mr. WEBSTER.—No, I do not have regard to expediency in that contingency only. I regard expediency as something which in public life has to be kept in view quite apart from the requirements of power. I give the Prime Minister full credit for acting honorably and according to his lights. I quite think that his policy is dictated by his conclusions in regard to the interpretation of the Constitution. But one thing has struck me as being the most peculiar spectacle I ever observed, either while I was outside public life or during the short period I have had the privilege of viewing it from inside. It is the most puzzling position I have ever read about or observed in politics. There are three parties in this House. The Labour Party come forward with a programme which they have submitted to the people, and they ask this Parliament to obey the will of the people by carrying that programme into law. That is a clear issue. But what about the Opposition? They are supposed to be cemented together for the purposes of protecting the rights and privileges of the House, and of the people, whenever they are trespassed upon by the party in power. But what do we find them doing in regard to the historical issue now before us? What is the attitude of the Opposition? I can quite understand the position of those honorable members on the Government side of the House, who intend to vote for the amendment as a matter of principle and expediency. I can understand the attitude of those honorable members who are governed by their feelings with regard to the lot of the railway men in Victoria, and who are to some extent influenced by the votes of that body in the elections which are to come. I can understand honorable members who are influenced by either one or other of those factors giving us their assistance in carrying the amendment, so that the question involved in it may be brought before the High Court for final decision. But I cannot understand the attitude of my honorable friends the members of the Opposition. I cannot understand the attitude of honorable members who are for ever reiterating their adherence to principle, and their determination never to depart from the

straight line of rectitude and duty, but *who*, with a coolness and effrontery which I have never seen equalled, having told us that they do not believe in this amendment, and do not believe in its principle, and that in fact they are disbelievers in nearly everything connected with the Bill, nevertheless, intend to vote for it. It is not a question of principle with them. It is not a question of law. It is not a question of constitutionality. It is not a question of protecting the Constitution or safeguarding the rights of the States. It is simply a question of whether they can get the scalp of the Government. They say, practically: "We are not here to act as legislators; we are not here to use our reason; we are here as highwaymen and wreckers of the Government." There is the honorable member for North Sydney. What does he do when driven into a corner? He is an opponent of the Labour Party. The only way in which he can find relief is to utter the phrase, "What about your caucus?"

Mr. DUGALD THOMSON.—Honorable members talk about men giving up their conscientious views!

Mr. WEBSTER.—I have given up no conscientious views.

Mr. CONROY.—I thought the honorable member was against the amendment on the ground of constitutionality?

Mr. WEBSTER.—The honorable and learned member for Werriwa cannot put me in a corner. I am not in the witness-box, and he will never have a chance of upsetting me by cross-examination. When the Opposition are driven to the last extremity—when they have no other cover or defence to offer—they yell out at the top of their voices, "What about your caucus?" Do they not know that we have a sound and straightforward answer to make to that question? A caucus is honorable. The Labour Party goes before the people and is elected on its platform. We do not form combines or enter into intrigues. We come here as a solid party. Every one of us is absolutely pledged before seeking the suffrages of the people. The people elect us knowing that we are going to act in caucus, as it is called—that we are going to act solidly and with one united front. That is the people's decision with regard to ourselves. But the honorable members to whom I refer come here as Oppositionists. Has His Majesty's Opposition sunk to such a depth of degradation that they do not seek to remove Governments on matters of principle—except it be principle spelt with

"pal" at the end? Has His Majesty's Opposition, which throughout the centuries has been regarded as one of the most majestic of the institutions of the British Empire, sunk to such a state of degradation that they intend practically to lay all ideas of principle aside? Their only desire is to bring about the downfall of a Government which they do not like.

Mr. FRAZER.—They are wreckers.

Mr. WEBSTER.—Exactly. I would remind those honorable members that we shall have to look to the future, and that those who are now supporting the amendment, not with a view to make it law, because they do not believe in it, but for their own selfish purposes, may be convicted of an act of shameless political profligacy. I am voting for this amendment, because I believe in it, and I wish that I could say the same of all honorable members.

Mr. LONSDALE.—Does not the honorable member desire to see it carried?

Mr. WEBSTER.—Certainly. The honorable member has my sympathy, because I feel sorry at all times for those who are in trouble. Whenever a man is in pain, whether physical or mental, the fact is demonstrated by those outward signs which nature provides to enable him to indicate that he is suffering. The day will come when the fate of a Government will not be at stake, and when members of the Opposition may be called upon to give an honest vote with regard to this proposal. My parents taught me never to do anything that I might have reason to regret, but rather to try to do that which might be looked upon afterwards with pleasure. I believe that one or two honorable members of the Opposition are sincere in their support of the amendment; but that others are acting in a manner which to me is abhorrent and contemptible. When the members of the party to which I belong have taken their places on the Ministerial benches, this question, which has become a vital issue in politics, will have to be fought out. If those honorable members to whom I have last referred then turn round, and we appeal to Cæsar, their master, what sort of a case shall we have against them? I warn those honorable gentlemen that they are not dealing with juvenile politicians, but with men who have memories, upon the tablets of which will be marked indelibly the events of to-day. If they prove to be unfaithful to the cause

of the people, we shall have no hesitation in appealing to Cæsar. I would rather cut off my right hand and let it wither, than be responsible for records in *Hansard* which would not be in accordance with my conscientious convictions. I regret that the Government are about to leave office, and that the members of the Opposition are availing themselves of the opportunity for which they have been looking, but which I never thought they would embrace.

Mr. LONSDALE.—Was the amendment proposed as a sham?

Mr. WEBSTER.—I know exactly what I am talking about. I gave the members of the Opposition more credit for consistency than I should have done; but we all make mistakes, and my inclination is rather to the kindly side. How different was the attitude of the leader of the Opposition when he spoke yesterday to that which I have seen him assume in the State Parliament of New South Wales when fighting for the liberties and the rights of the people. Did he venture to give us a legal opinion? No. Why was this? I am told that he does not give an opinion gratis under any circumstances; but had he favoured us on this occasion I am not too sure that we should have been any wiser. His speech was thoroughly characteristic, and in keeping with the reputation he has earned. I regret that during my short acquaintance with Federal politics, such intrigues as those which have been engaged in should have been brought under my notice. I hope that I shall never have a similar experience.

Mr. KENNEDY (Moir).—After having attended here for two days at what has been designated the funeral service of the Government, it was quite refreshing to hear the speech of the honorable member for Gwydir, characterized as it was by so much sincerity and vigour. No matter how we may differ from the honorable member, we must respect and admire him for the manner in which he has given expression to his conscientious beliefs. I could not help noticing the tone of regret which marked his utterances. The members of the Government who are about to receive the happy despatch present a much more cheerful aspect, and are apparently in a far more placid frame of mind than are those who are about to succeed them. It would almost seem that it has just dawned upon honorable members of the Labour Party that there is some responsibility attached to the occupancy of office. The fact that by the Government

have not proved firm in their attitude on several occasions has been the subject of strong complaint by members of the Opposition. Now, however, that they have exhibited a little firmness, and have determined to adhere to a certain line of action, we hear nothing but complaints from the members of the Opposition, and from the Labour Party.

Mr. FISHER.—We are expressing regret, not complaining.

Mr. KENNEDY.—There has been complaint as well as regret. I believe that the regret arises chiefly from the fact that the Labour Party are beginning to realize the grave difficulties which confront them now that they have an opportunity to occupy the Ministerial benches and give effect to their policy. The party in power always has the best chance to give effect to its policy, and the Labour Party should be eager to take advantage of the opening now afforded them. Certainly they should not view the position with any feeling of regret.

Mr. FRAZER. — We regret the motives which are actuating some people in assisting to place us in office.

Mr. KENNEDY. — They should be glad that the time has arrived when, according to their judgment, the general well-being of the community will be insured, and long-suffering humanity will have something to which to look forward. I recognise that no words of mine are necessary to defend the action of the Ministry. I realize as fully as we can realize anything in politics, that "the numbers are up." I am aware that in a debate of this character, when the fate of the Ministry is at stake, it is not reasonable to expect that the views expressed by any honorable member will influence a single vote. The fact is more strongly impressed upon one's mind on the present occasion by the reflection that this issue was finally and conclusively decided by the people of Australia at the recent general election. Last night the honorable member for Lang complained that the Government in its wisdom had not seen fit to introduce other measures which, to his mind, were of more importance to the welfare of the general community. He seems to have entirely forgotten that the Government were distinctly and unequivocally pledged to the course of action which they have pursued during the current session. They were committed to it by the declaration of the Government policy which the Prime Minister made to his constituents at Ballarat at the opening of the recent campaign.

Mr. JOHNSON.—Under pressure from another party.

Mr. KENNEDY.—That is an assumption which may govern the opinions of the honorable member, but which certainly does not govern mine. The Prime Minister was committed to the course which he has pursued by reason of the action taken in the last Parliament. As we are all aware, during the second session of that Parliament, the Government submitted this measure to the House. When an amendment was carried in opposition to the wish of the Ministry, the effect of which was to make the Bill applicable to the railway servants of the States, the measure was put under the table. At that time an appeal could not be made to the country, although, had circumstances permitted, that would have been the right course to adopt. As the successor of Sir Edmund Barton, the Prime Minister had no option but to make the question of the inclusion in this Bill of the public servants of the Commonwealth and of the States, together with the railway employes, a leading plank in the Government platform at the last election. Had the Government gone back upon the pledges which they made to the last Parliament and to the country, would not the Opposition have been justified in submitting a no-confidence motion?

Mr. JOHNSON.—That statement does not tally with the explanation given by the Minister for Home Affairs yesterday.

Mr. DEAKIN.—Yes, it does, because he spoke only for himself.

Mr. KENNEDY.—We have to deal with the actualities of the position. Rightly or wrongly, this Bill is before us to-day. To my mind it is rightly before us, because it was a part of the Government policy at the recent elections. Now that it has been submitted for our consideration, party lines will be clearly defined. There are very few honorable members who do not propose to vote in accordance with the pledges which they gave to their constituents. For those who honestly believe that it is proper to include within the provisions of this Bill the public servants and the railway employes I have every respect. But I clearly defined my attitude upon this matter to my constituents upon the hustings, and I propose to respect the pledge which I then gave. To my mind the reasons why this proposal should not be embodied in the Bill may be ranged under two headings. In the first place it is, in my judgment, unconstitutional. I am

aware that different opinions have been expressed upon this aspect of the question by the legal members of the House, but in my opinion, when an honorable member cannot gain definite information for himself, it is wise to look for guidance to the Law officers of the Crown. There is no doubt whatever in the mind of the Prime Minister—whose duty it is to advise the House upon such matters—that the amendment is unconstitutional. I am prepared to accept his dictum. In the second place I hold that it is inexpedient to give effect to this proposal. Even if I were satisfied that it was constitutional, as a matter of expediency, I should hesitate to insist upon embodying it in the Bill. Some members have repeatedly declared that State servants are practically on an equality with the workers in private employ—that there is no difference whatever in the relationship which exists between the State and its servants and that which exists between a private employer and his employés. But I would ask those who entertain that view, what private employé is protected in his position by a special Act of Parliament, or by regulations under that Act? What private employé has the right of appeal from the dictum of his employer? As we are all aware, the State servant, in the first instance, is protected by the Public Service Act, and by the regulations which have been framed under that Act. In the event of his dismissal upon a charge of misconduct, or anything of that sort, he has a right of appeal to the Commissioner, frequently a right of appeal beyond the Commissioner to the Minister, and finally to Parliament itself. Do such conditions apply to private employés? I would further ask whether the State has to compete with any other employer in the same way that the private employer has to compete? Would the States, as the employers of the public servants, receive any pecuniary gain or reward or any advantage from sweating or harassing them in any way? That is my view of the situation. Last, but not least, I ask whether there has been a demand for this legislation from any section of the Public Service throughout the Commonwealth, save in one isolated instance? We are all aware that friction does exist between the railway servants of Victoria and the Government of this State. It is unnecessary for me to enter upon a consideration of the merits or demerits of that dispute. There may have been some

provocation for the action of the men, but we all know that as the result of the strike many of the railway employés have undergone much suffering, while great loss to the community has been occasioned. Ever since I have been able to appreciate the true significance of a strike my aspiration has been to assist in averting such disastrous struggles. My desire having always been to support any legislation designed to avert the suffering and disaster which such disputes must necessarily entail, I have been an advocate of the principle of compulsory arbitration. But I would seriously ask those who are pressing this amendment whether in doing so they are not really grasping at the shadow and losing the substance. That is the view which I take of their attitude. I would remind those who point to the Victorian railway strike as a justification for this amendment that even the most earnest advocates of this provision admit that such a dispute would not come within the jurisdiction of the Court. In view of the provision in the Constitution upon which this Bill is based, how would it be possible for the Court to deal with a dispute between a State and its employés when their functions cannot extend beyond the limits of that State? That is a phase of the question which has been so fully discussed that I do not propose to do more than make this brief allusion to it, in order that there may be no doubt as to the attitude which I take up. There is one feature of this debate, however, to which I desire to draw the special attention of the Committee. I refer to the attitude of certain honorable members of the Opposition, to which reference has been made by the honorable member for Gwydir. Throughout the proceedings of the Federal Convention and during the campaign, in which the people of Australia were urged to accept the Commonwealth Bill, we were told again and again that in the higher and rarer atmosphere of Federal politics all the ideals of true statesmanship would be found. But after listening to the views expressed yesterday by the honorable member for New England, the honorable member for Lang, and several others, I feel that we have had a rude awakening. The honorable members to whom I have specially referred admitted that they were prepared to violate cherished principles for no other reason than a desire to wreck the Government. Do such utterances reflect that higher statesmanship which we were told

would be revealed in the rarer atmosphere of Federal politics? Do they not rather involve a prostitution of all the higher principles which should govern our political conduct? In view of such statements, is it a matter for surprise that sections of the press, as well as the public, should rail at some of the characteristics of public life? Doubtless they will seize upon such admissions as an indication of the base motives by which some public men are swayed. The adoption of such tactics must bring political institutions into discredit and operate prejudicially even on honorable members whose rigid adherence to principle and honesty of conviction cannot be gainsaid. When we find honorable members prepared in this way to prostitute the best institutions and the noblest ideals, what must we expect the people to say? We were told by the honorable member for New England that he was strongly opposed to the first principles of compulsory arbitration, and that consequently he objected to the extension of this Bill to the Public Service of the States. But in the same breath he informed the Committee that, notwithstanding that he was pledged to oppose such legislation, he was prepared to support the amendment simply because of his desire to wreck the Government. He is prepared to sacrifice his principles in order to defeat a Government against which he can bring no charge of deviation from the path of integrity. After listening to such statements, I can well understand the regret expressed to-day by honorable members who are sincerely fighting for their principles, that they are likely to find themselves allied with men who, when political convictions are at stake, are prepared to ignore the voice of conscience. Whether my public life be long or short, I trust that it will never be possible for any one to point to any action of mine as indicating a readiness on my part to degrade all that we should cherish in public life.

Mr. DUGALD THOMSON.—The honorable member has taken exception to a Government proposal in this House, and yet voted for it.

Mr. KENNEDY.—No; I do not object to the attitude adopted by the Government in regard to this amendment. I have already said that I believe in the principle of compulsory arbitration, but that I am opposed to the extension of the Bill to public servants. When before my constituents I told

them of my views on this question, and I am now fighting to give effect to the principles which I profess.

Mr. DUGALD THOMSON.—I am not referring to the position taken up by the honorable member in regard to this amendment.

Mr. KENNEDY.—I have no fault to find with the attitude taken up by the honorable member in reference to this question, but when I see an honorable member openly declaring that he will support a proposal which he is pledged to oppose, I cannot refrain from giving expression to my regret.

Mr. JOHNSON.—Did not the honorable member on a former occasion do the very thing of which he complains?

Mr. KENNEDY.—No one can point to any public or private act of mine which shows that I have ever gone back on my principles, even when large issues have been at stake. At the last election I had as my opponent the Chairman of the Reform League, and had to fight against much misrepresentation.

Mr. WILKS.—We all have to do that.

Mr. KENNEDY.—Quite so; but when we find such a degree of political degradation in a Legislature in which we were taught to look for the highest ideals of statesmanship, it appears to be high time for those who have some regard for the welfare of the people and a love of fair dealing to consider whether, after all, it is worth while fighting to obtain a seat in it.

Mr. KNOX (Kooyong).—I do not propose to take up much time in discussing the amendment before the Committee. I am of opinion that the country wishes us to decide the issue, so that we may understand exactly where we stand. The attitude which I shall take on this amendment is, I think, already well known. I shall support the Government—I shall vote against the amendment. I have indicated already that I think the Bill itself is not only premature and immature, but is unnecessary. In connexion with this crisis, I wish to say, distinctly, that I cannot view the retirement of the Prime Minister from office with any personal pleasure. I have throughout been associated with the Prime Minister in the work of this Federation, and indorse every word which has been said in regard to him personally by honorable members who have spoken so strongly in his favour. Yet it seems to me that, as a means of clearing the party atmosphere in this House, and ending the existing intolerable condition of things, the crisis must bring relief to

many honorable members who believe that so long as the Labour Party continue to do as they are doing now—ride their own opinions to death, and force their own particular platform on the people of this country—there will be no satisfaction, no rest, and no stability in the Government—that there will be no peace until they occupy the Treasury benches, or are in direct opposition. I do not care on which side of the House the Labour Party may sit; if they have the necessary power in the House, they are thoroughly justified in endeavouring, and are indeed entitled, to occupy the Treasury benches. I may say, for myself, as has been said by other honorable members, that the Labour Party, if they do occupy the Treasury benches, will not receive any unreasoning or factious opposition. My feeling is that we must arrive at a state of affairs in which there shall be a distinct line of demarcation between two parties in this House—a state of affairs in which those on the Treasury benches are faced by a constant, vigilant, and critical opposition.

Mr. PAGE.—“The wish is father to the thought.”

Mr. KNOX.—What is the honorable member's thought? I desire to refer to the splendid fighting speech of my honorable and valued friend, the Minister for Home Affairs, last night. One was reminded of a heavy-weight pugilistic encounter, in which the right honorable gentleman pounded his adversary constantly and successfully. He hit, as a good pugilist will under similar circumstances, straight from the shoulder; and it must be admitted that he “got home” very frequently. But the right honorable gentleman gave a sort of impression that he had finally to succumb to his adversary, and that, before his extinction, he desired to make peace with the world and a death-bed confession, admitting the “squeeze” that the Government had received from members of the Labour Party.

Mr. PAGE.—The Minister for Home Affairs said that the Labour Party had never “squeezed” the Government.

Mr. FISHER.—The Minister was joking.

Mr. KNOX.—The Minister for Home Affairs was hitting too hard and too straight to be joking at the time, and he admitted the “squeeze.” He admitted that the order of public business had been regulated to suit my honorable friends in the labour corner; and the truth of that admission is unquestionable. The right

honorable gentleman concluded by chiding the Labour Party for their ingratitude, his feeling being that the Government had done so much for them that they should, in a contingency such as the present, be much more generous to himself and his colleagues. Personally, I think it objectionable that any one party in the House—any third party or any Opposition—should have the power to determine the order of business; but, in my opinion, the Prime Minister and his Government took a very proper course in bringing forward this Bill, and also the Navigation Bill in another place, as the two measures likely to offer grounds for considerable differences of opinion and lead to a more definite and satisfactory division of parties. The Government were quite right in bringing those measures forward as early as possible, in order that their own position might be determined; and—I hope the Prime Minister will understand the sense in which I speak—the Government, in their death, may possibly secure greater honour and more public appreciation than have been given to them during their tenure of office. In saying that I wish to express the hope that many of those who may in a few short hours retire from the Treasury benches, will come back again, a strong party in coalition for the conduct of the affairs of this country.

Mr. JOHNSON.—On the Opposition side of the House.

Mr. KNOX.—If so, I hope there will be a proper, well-regulated, and united Opposition. When the advantages to be gained by this Bill, within its admittedly limited area of influence, are considered, it is a constant puzzle to me to understand the motive of my honorable friends of the Labour Party, in pressing this question so strongly as they have done in the past, and as they are doing at the present moment. It has been pointed out that by their present attitude the Labour Party are risking whatever benefits they consider are contained within this important measure—risking all on the result of the forthcoming division. I may be wrong, but I think that the motive is to be found in the expectation they have of forming through this Bill an organization with autocratic, tyrannical power, which they hope to use for the purpose of compelling men to join trades unions.

Mr. FISHER.—It is for the very opposite purpose.

Mr. KNOX.—I am very glad to hear my honorable friend say that, because he is aware that I have a great personal respect for him

and for any statement he may make; but I have endeavoured to discover what motive there is behind all this strenuous effort on the part of honorable members to force this Bill through, and to undertake all the risks which attend their action in connexion with the amendment before us.

Mr. FISHER.—To prevent political influence interfering with private or State enterprise.

Mr. KNOX.—I feel that all that members of the Labour Party are doing is to work in the direction to which I have referred. We hear talk about freedom. But in this Bill an effort is being made to coerce honorable, honest, and hardworking men, and to bring them under the control of tyrannical legislation. We are asked in this Bill to say that they must join a union, and if they do not join a union, it is proposed to give the Arbitration Court power to step in, and say, "Whether you desire it or not, we shall constitute you a union." If we endeavoured to select a question upon which we might hope to secure a true line of demarcation between the two parties in this House, we could not have made a better selection than is provided by the amendment now before us.

Mr. JOSEPH COOK.—What parties?

Mr. KNOX.—I propose to describe the parties into which I think honorable members of this House will be divided.

Mr. POYNTON.—The party against arbitration, and the party in favour of it.

Mr. KNOX.—That is not the issue. I favour arbitration. Apart from the question of expediency, it must be generally admitted that the question of State rights, which is involved, is one of the first importance, and I venture to think that the line of demarcation which will be drawn in this House by the division on this amendment will be a line between those who are in favour of unification and those who are in favour of the maintenance of State rights at all hazards.

Mr. POYNTON.—And against the Labour Party.

Mr. KNOX.—Many of my honorable friends in the Labour Party will agree that my personal effort and desire in private life has been to do all that one individual may to better the condition of the great working classes. So long as life is spared to me, any power I possess will be exercised in that direction. I, therefore, decline to believe that the whole merit of looking after the interests of the labouring

classes rests with my honorable friends of the Labour Party. I am as anxious as they can be to have placed upon the statute-book practical laws, whose operation will not be ultimately to the disadvantage of the workers. I say that manifestly the tendency of the Labour Party is in the direction of unification. I ask my honorable friends whether they will deny that, as a party, they are working towards unification?

Mr. PAGE.—The honorable member says so. That is enough.

Mr. KNOX.—I want honorable members of the Labour Party to deny it if they can. I say that the platform of that party is distinctly against the maintenance of State rights, as compared with the policy of unification, in support of which they are working.

Mr. FISHER.—Could the honorable member give some evidence upon which he has founded that opinion?

Mr. KNOX.—I can refer to the action taken by the party in connexion with this Bill.

Mr. TUDOR.—This Bill has been introduced by the Government.

Mr. KNOX.—I refer to the amendment which we are now discussing. The Government have taken up no such position as that. It is the amendment moved on behalf of the Labour Party, which will establish the line of demarcation between those who favour unification and those who desire to preserve the rights of the States. In bringing about unification, or in impairing the rights of the various States, the members of the Labour Party believe that they will secure greater power. They expect to suborn the States, and to use the legislative instrument of the Commonwealth Parliament as an easier and more rapid method by which to attain their ends. I notice that my honorable friends do not deny that. I hold that underlying all this pressure and effort on their part that is the end towards which they are working.

Mr. PAGE.—Not guilty, your worship.

Mr. KNOX.—Quite apart from the intrinsic merits or demerits of the amendment, those who desire to support the Constitution and preserve State rights should regard the division to be taken to-night as one of the most important that can ever be taken in this House.

Mr. G. B. EDWARDS.—There is still the High Court behind us to decide State rights.

Mr. KNOX.—I am not manufacturing, but merely stating facts which are not contradicted. I say that to-night we are going to lay down a line between two parties in this House. We shall separate those who favour the Constitution and the maintenance of State rights from those who are in favour of a policy of unification, and of using the Federal Parliament as an instrument to bring about that which I think is undesirable, and should be resisted. So far from being a supporter of unification, I believe that, in consequence of the varying physical and climatic conditions, and the enormous extent of this island continent, the time is not far distant when it will be necessary for the Federal Parliament to consider whether it will not be in the interests of the proper representation of the people of the Commonwealth to have a further subdivision of States. In my humble judgment that is one of the questions which must engage the attention of the Federal Parliament in the very near future.

Mr. TUDOR.—How many Parliaments would the honorable member like to see?

Mr. KNOX.—I hope that my honorable friend and I may be found together in many a future Parliament. As to the legal position in connexion with the proposed amendment, I venture, as a layman, to rest absolutely satisfied with the arguments put forward by the Prime Minister, and by the honorable and learned member for Bendigo. When I am confronted by a question of legal difficulty, it is my custom, and I suppose the custom of every business man here, to take the opinion of those who are qualified to give information and guidance upon such technical matters.

Mr. G. B. EDWARDS.—The lawyers differ.

Mr. KNOX.—If I had a difficulty with the honorable member for South Sydney I have no doubt he would be able to get a lawyer to support his view, as I should be able to get one to support mine; but I have chosen to accept the guidance of those who have supplied a clear enunciation of the position from what I believe to be a common-sense view of the whole situation. Speaking with a full sense of my responsibilities and for the people I represent, I feel that in the approaching division the main issue will be unification or the maintenance of State rights.

Mr. DEAKIN.—Or Federalism.

Mr. KNOX.—I shall cast my vote to-night for a continued and loyal adherence to the spirit of the Constitution, and for the maintenance of State rights.

Mr. WILLIS (Robertson).—I did not have an opportunity to discuss the second reading of the Bill, and on this occasion I shall not weary honorable members by giving my opinions on its general provisions—although I may say that I should not be doing much more than has been done by other honorable members if I were to take that undesirable course. The principles of the Bill were affirmed by the House when it agreed to its second reading, and if any honorable member feels that it is his duty to try to amend certain clauses, he is within his rights in submitting a proposal to make the Bill, as he thinks, more perfect than it is. In the interpretation clause it is stated that—

“Industrial dispute” means a dispute in relation to industrial matters . . . and extending beyond the limits of any one State,

Now comes the proviso which has caused all the trouble—

but does not include a dispute relating to employment in the public service of the Commonwealth or of a State, or to employment by any public authority constituted under the Commonwealth or a State.

Inferentially the Government admit that it is constitutional to exclude civil servants from the operation of the Bill. If that is constitutional, then the proposal that certain words should be struck out is equally constitutional. I take it that the proviso of the Government is so much surplusage, and consequently it cannot alter the scope of the Bill or the rights of citizens under the Constitution whether the words are retained or omitted. On the other hand, it seems to me that it will be of very little effect to the Labour Party whether their amendment is carried or not, because it is merely putting the thing the other way about, and saying that States servants shall be included within the operation of the measure. If, under the Constitution, States servants have certain rights, cannot they appeal to be registered under clause 62? If that course be taken the whole case will be at once opened up, and the High Court will have to decide whether States servants have such a right under the Constitution or not. It seems to me that the Bill in itself would give the Labour Party all that they want. By their action they are running the risk of losing a Bill that will confer on the people many benefits which they

profess a desire to bestow. Their proper course, I should say, is to withdraw their amendment, and to allow the Bill to pass as it is, leaving the High Court to settle the matter, and everything to go on swimmingly as hitherto.

Mr. MAUGER.—How does the honorable member make that out when the public servants are excluded?

Mr. WILLIS.—I have been arguing to show that a mere declaration in this Bill that State servants shall or shall not be included within its operation will not make it legal or take away any right they may have under the Constitution. If under the Constitution they have a right to apply to be registered, this Bill cannot withhold from them any citizen's right.

Mr. BROWN.—The legal authorities do not agree with that view.

Mr. WILLIS.—If the legal members would wait until an application is made by States servants for registration—if they would appear before the High Court and there plead on behalf of the organizations seeking registration, then I think that their forensic utterances would have some effect. It has been a mere waste of time to listen to their utterances, one vying with the other as to his legal lore. The Government, however, appear to have something further in view, for the Prime Minister stated that it is an un-Federal provision which is sought to be inserted in the Bill, and that the Government will not be a party to the insertion of any provision that would be so regarded by the States. So that the whole issue hinges on the one question—repeated by the honorable and learned gentleman in this Chamber this afternoon—whether we shall have a Federation or a Unification. I am very sorry that he has had to leave the Chamber, for, in following his career as an advocate of Federation, and his most recent utterances on this question, I have gathered that he is in favour of taking over from the States one service after another, until we arrive at that period of evolution when we shall have a Unification rather than a Federation. If he is desirous of going to that goal, he achieves much by the course which he is taking. We have to remember that this is not a new Bill. In the last Parliament it was thrashed out pretty fully, and a similar amendment was carried. The Government were acquainted with the views of most honorable members who spoke on that occasion. They were well able, therefore, to gauge the decision of this House on a similar

proposal. We find, as the Minister for Home Affairs said yesterday, that the first Bills introduced are two which might run the Government to their ruin. Why have the Government brought forward these Bills at this juncture, if it is not for the purpose of courting the Labour Party, or whipping them into submission? Perhaps they have writhed under the dictation of that party for so long, that they have now laid a net for them. They have induced the Labour Party to dig the pit into which they themselves will fall. The honorable member for Gwydir said that the Government are desirous of dropping the measure, and that the easiest method by which that can be achieved is by securing its defeat. If the Bill be lost, another session must be held before it could be re-introduced. Honorable members might have an opportunity of seeing their constituents before the Bill could be brought forward again, and who is to say that even the members of the Labour Party would come through the fierce struggle unscathed? I am inclined to think that they are sincere to their pledges. If they believe that they represent only the working community, let them accept the Bill; but if they are merely craving for power, let them persist in their amendment, and defeat the Government, if it be only for a day—for that is the period of office which I would give to the Labour Party, if my vote could decide the matter.

Mr. FISHER.—I think that the honorable member will admit that we are not office-seekers.

Mr. WILLIS.—I have been arguing that the members of the Labour Party are nothing but office-seekers. If they are not, if they do not wish to come into power, why do they not accept the Bill, and then claim the rights which they possess under the Constitution by obtaining a decision from the High Court as to the correct interpretation of that instrument? They cannot make anything constitutional by merely providing for it in an Act of Parliament.

Mr. HUTCHISON.—We cannot get a decision from the High Court unless we put this provision into the Bill.

Mr. WILLIS.—Any organization of State servants may apply to be registered under clause 62 of this Bill, and a decision of the High Court would then decide the vexed question.

Mr. MAUGER.—If it were possible to leave the question open, there would be no trouble.

Mr. WILLIS.—The Minister for Home Affairs said last night that the present Administration took over, as a legacy, the responsibilities of its predecessor. What were those responsibilities? Was it not openly stated in both Houses of this Parliament that the policy of the Labour Party was that of support for concessions? The Government took the position that they should make their move first, and what happened? It would have been impossible for them to carry their protectionist policy into effect without the assistance of a large section of the Labour Party, as the Minister for Home Affairs admitted. Certain members supported the Government against the no-confidence motion moved by the leader of the Opposition.

Mr. PAGE.—The caucus did nothing of the sort.

Mr. WILLIS.—The protectionist members of the Labour Party decided to support the Government against the onslaught of the Opposition. That was the first concession to the Government in their compact with the Labour Party. The Government were allowed to carry out their policy of protection.

Mr. PAGE.—Not at all. Not another vote will the free-trade party get from me, after this misrepresentation.

Mr. WILLIS.—Then came a time when the Labour Party wished to get special legislation passed. The Immigration Restriction Bill and the Pacific Island Labourers Bill were brought in. The members of the Labour Party claim that they are responsible for those measures; but in the main there was no division of opinion upon them. Although they give themselves the credit of having passed those measures, the Government would have got them through the House with the assistance of the members of the direct Opposition. The Government were independent of the Labour Party at that juncture. But after the Bills I have named were passed into law, the members of the party squeezed the Government into carrying out a line of administration which was repugnant to the ideas of freedom possessed by the great body of the community. The provisions of the measure to which I refer are not so objectionable in themselves, but they have been improperly strained by the Government as the result of domination by the Labour Party.

Mr. MAUGER.—That is a reflection upon the Government.

Mr. WILLIS.—Undoubtedly it is; but I am not here to plead their cause.

They have used the Labour Party to get all they could, and now that they are unable to get more, they have declined to fulfil their part of the compact. They have declined to give the Labour Party the Navigation Bill, and the Conciliation and Arbitration Bill which they want, and they are opposing the amendment now before the Committee because they know that if it is carried both Bills will be lost. I claim to be here as a representative of the people. We all represent labour; it has no special representation by one section of the House. What excuse have those who claim to specially represent working people for having burdened the people of New South Wales with duties which they have never before had to bear, and which wring from the masses nearly £1,000,000 more per annum than the Treasurer previously obtained? What excuse had they for taking the fodder duties out of the pockets of the settlers of Australia? The members of the Labour Party, although they claim to represent labour, do not represent the true interests of the community. We have been told by the Minister for Home Affairs that the Government was divided in regard to the Conciliation and Arbitration Bill and the Navigation Bill. We know that one Minister left the Cabinet because of this disagreement. The facts are public property. In the daily newspapers they were having a tilt one against another on the subject. Therefore there was no course open to the Prime Minister but to make the statement that the triangular method of government in Australia must be brought to an end. The Ministry obtained from the Labour Party all that they expected, and, being no longer willing to submit to the dictation of that party, have allowed them to bring forward an amendment, which, if carried, they say will bring about their resignation and, of course, the defeat of the Bill. The Labour Party may then come into power, and if they can live against the coalition of the other parties, well and good; but it strikes me that the common sense of Australia will prevent a handful of men who misrepresent the people from remaining on the Treasury benches for any length of time. It is not to be expected that the members of the Opposition will come forward to help the Government now that they are being deserted by their old supporters, men elected upon their ticket. I have a contempt for the man who leaves the sinking ship without a good reason for doing so.

Mr. HUME COOK.—Surely the fact that the ship is sinking is a sufficient reason?

Mr. WILLIS.—Honorable members may make plausible speeches in the endeavour to excuse their action, but they cannot convince me that they have not a duty to their party, just as I have a duty to mine—and I am prepared to do it. Had not the debate upon the second reading of the Bill collapsed because many honorable members declined to make public their views in regard to the measure, I should then have dealt very fully with its principles. It is sufficient for me now to say what I have said. My intention is to amend the Bill in every way possible in the interests of the people. If those engaged in industrial callings outside the Public Service are brought under the provisions of the Bill, surely the States servants engaged in similar callings should enjoy the advantages of it.

Mr. MAUGER.—There are no private railways, or very few.

Mr. WILLIS.—The honorable member says in a loud voice that there are no private railways, and adds in an undertone that there are very few. Where is the sense of such an utterance?

Mr. PAGE.—The honorable member has all the sense.

Mr. WILLIS.—The honorable member has a big voice. It would crack a world. The Government wish to be released from the political thralldom of labour, and I will assist them to be released. I shall be willing to see a coalition of the two large parties to prevent a continuance of domination by the Labour Party, such as we have so long witnessed.

Mr. PAGE (Maranoa). — I have listened very attentively to the very docile speech of the member for Robertson, and I should not have said anything but for his wilful misrepresentation, and his statement of matters which he knew to be absolutely untrue.

The CHAIRMAN.—Order!

Mr. PAGE. The honorable member knows that just as well as any member of this House.

Mr. MAUGER.—He ought to know.

Mr. PAGE.—He does know; because I have sat in divisions with him times out of number. I voted free-trade while the Tariff was under discussion every time with one exception, and that was in reference

to bananas. Yet the honorable member deliberately accused the free-trade members of the Labour Party of going back upon their fiscal principles.

Mr. TUDOR.—He has to say something.

Mr. PAGE.—The honorable member can say anything he likes so long as he tells the truth; but he has utterly departed from the truth in what he has said this afternoon.

Mr. WILLIS.—Did the honorable member vote with the Opposition on the no-confidence motion?

Mr. PAGE.—I voted with the party of the right honorable member for East Sydney, and I am sorry for it. I was not sorry until I heard the honorable member's statement. What we have heard from him is the kind of generosity we have reason to expect from the present Opposition. Yesterday evening two of the Opposition members stated that they were not in favour of the Bill, but intend to vote for the amendment simply in order to wreck the Government. That is the kind of high principle that these New South Wales free-traders maintain! From this day henceforth I wash my hands of the whole lot of them as far as free-trade principles are concerned. We members of the Labour Party can look after ourselves. We do not require any wet nursing from the honorable member for Robertson. We stand on our own bottom. When we fought the elections we told the people what we were going to do. If the people chose to elect us on that programme we are right in maintaining this attitude. According to the honorable member's remarks, because we are labour men we have no business to be here. Let me tell him that this Parliament is going to be dominated by the Labour Party, and controlled by a Labour Government. The sooner that happens the better, and such conduct as the honorable member's has tended to bring it about. I suppose that the honorable member for Robertson, and the honorable and learned member for Parkes, are the two most conservative members of this House. They said at the time of the first Federal elections that the adoption of the Commonwealth Bill would kill the Labour Party, and that we should have a higher tone in Federal politics than had prevailed in State politics. If the speeches delivered by members of the Opposition last night are an illustration of the higher tone of Federal politics, the sooner we get back to the tone that prevails in the State Legislatures the better. I never in all my life heard

two such speeches as those of the honorable member for New England and the honorable member for Lang. Both of them said they did not believe in the Bill, yet they were not game to take a division on the motion for the second reading. If they had conscientious scruples against compulsory arbitration, why did they not act as men and divide the House? The Labour Party have taken their stand on principle. From our point of view it does not matter whether the railway employes and the States public servants wish to be included under this Bill or not. We as a party consider that they, and every one who works for his living, should be included. Every member of our party has been returned on that principle. I would remind the honorable member for Robertson that every member of the Labour Party who was a member of the last Parliament was returned to this House. Can the same be said of the members of any other party? That fact shows the trend of feeling throughout the Commonwealth. The honorable member for Robertson says that he claims to represent labour as much as we do. How much labour has he ever done in his life? It is all very well for honorable members who have been reared with silver spoons in their mouths, and have never known the pinch of hunger, to oppose the principle of compulsory arbitration. Let them have a wife and children hanging about them while they are engaged in a strike. Let them hear the wife saying, "Don't go on strike!" and the children crying for "tucker," and then they will be more favorable to compulsory arbitration. Honorable members need not go many miles from Melbourne to see the disastrous effect of strikes. They need only go as far as Jumbunna, and see what has happened at the coal mines. Such a state of affairs between employers and employes could not exist if a measure such as this were in force. The honorable member for Wannon has told us that he is against this Bill, lock, stock, and barrel. It is easy enough for such an honorable member to oppose it. He has had his "tucker" every day of his life, and his kidneys are well lined with fat. This is no laughing matter to the people whom I represent in the back blocks of Queensland. Some of them have not even one feed a day; sometimes they have only two feeds a week. They are the kind of men who want conciliation and arbitration—the men who are the backbone and the blood and sinew of the Commonwealth. The honorable mem-

ber for Kooyong tells us that such a measure is not required in Victoria. If it is not required here, let the employers conduct their business in a proper way. How many times have the men at Jumbunna asked for conciliation and arbitration? Only yesterday they asked for it; but the reply was, "We have nothing to arbitrate about." That is what the employers throw at them. The sooner this Bill is placed upon the statute-book in the interests of such people the better. The honorable member for Robertson says that we are throwing away the substance for the shadow. Let me inform him that at the elections the people whom I represent said to me, "Do not have the Bill at all unless all the workers are included under it." Every brain worker and every manual worker should be included in the Bill. I do not profess to be in a position to express an opinion upon the constitutional aspect of this question, but I am quite willing to allow the decision to rest with the High Court. The honorable and learned member for Darling Downs, the honorable and learned member for Northern Melbourne, and the honorable and learned member for Indi, declare that we should be within our constitutional rights in adopting the amendment. On the other hand, the Prime Minister declares that it would be unconstitutional. Under these circumstances, how is a layman to decide? I have already explained the attitude of the Labour Party upon the question of expediency. I may tell the honorable member for Robertson that the party to which I belong has come to stay. The fact that the Prime Minister and the Minister for Home Affairs do not like a triangular form of government is nothing to us. We are going on all the same, and, as the honorable member for Gwydir has said, we shall do so with clean hands. We shall go straight. We know what we want, and we shall not be satisfied until we achieve it. I hurl back in the teeth of the honorable member for Robertson his statement that members of the Labour Party are office-seekers. Not one member of our party desires office. If we get what we want, we are quite willing to allow the honorable member and those with whom he is associated to take office. If, however, they do not act according to our wishes, we shall do our best to oust them. If the necessity arises for taking office we shall be ready to fill the breach.

Mr. REID.—And to stay there.

Mr. PAGE.—We shall stay there as long as the House allows us—the right honorable gentleman would do the same. We are quite willing to shoulder the responsibilities of office, and I do not think we shall make a worse hash of the affairs of the Commonwealth than the Government of New South Wales have made of the affairs of that State. If we conduct ourselves after the manner of the New South Wales Government, we shall, without doubt, wreck the country, but we are willing to try to promote the public well-being, and the people are willing to take the risk attaching to our administration, or otherwise they would not have sent us here.

An HONORABLE MEMBER.—What about a dissolution?

Mr. PAGE.—I am prepared to go to the country to-morrow, and, so far as the honorable member for Robertson is concerned, I am willing to contest the Maranoa seat as a liberal protectionist against him as a straight-out free-trader. I would soon demonstrate whether a free-trader or a labour candidate would succeed in that electorate. On both the occasions upon which I submitted myself for election, I clearly defined my position, and I was returned in each case as a labour free-trader. Yet, the honorable member for Robertson apparently thinks that he was sent here to wet-nurse me, and to tell me that I am not a free-trader.

Mr. WILLIS.—But the honorable member says that his constituents would return him as a protectionist?

Mr. PAGE.—They would return me as anything, in preference to electing the honorable member. We are all friends until a crisis approaches. There is no friendship then. We play for keeps all the time, and fight for all we are worth. That is party politics, as I understand it. I am friendly with every honorable member in this Chamber, and I hope to continue so; but when a party fight is in progress, I have to stick to those with whom I am associated, against all-comers. I think that I have put the honorable member for Robertson right so far as the attitude of the free-traders of the Labour Party is concerned. He cannot blame them for any votes which they may have given upon the Tariff. I do not feel that any reproach attaches to me.

Mr. REID.—I know of the temptations to which the honorable member was exposed, and that he stood them like a man.

Mr. PAGE.—Free-trade principles are deep-rooted in me. I brought them with me from the old country, and nothing that the honorable member for Robertson can say will shake them. The honorable member made some reference to the labour caucus having brought pressure to bear upon the free-trade members of the party to vote protection in order to assist the Government. I can only say that no attempt was ever made to coerce me or any other member of the party in regard to the fiscal question. We were all perfectly free so far as that was concerned, and we exercised our freedom to the fullest extent. Even though I declared by interjection that the honorable member's statement was untrue, he persisted in asserting that some labour free-traders voted against the motion proposed by the leader of the Opposition, expressing want of confidence to the Government. I know that I had a good game of bowls during that crisis, and that I came out of it still a free-trader, and voted as such. If the honorable member for Robertson were a member of the Government to-morrow he would, as a free-trader, have my support upon the fiscal question. It is rather late in the day for a shandy-gaff free-trader to accuse me of not being true to my fiscal faith because I do not see eye to eye with him in regard to every matter submitted for our consideration. I hope that he will not bring any further accusations of a similar character against the free-trade members of the Labour Party.

Mr. CROUCH (Corio).—This debate has brought about a number of extraordinary developments, but the most surprising has been that which has induced the honorable member for Maranoa to express his willingness to contest his constituency as a protectionist. I am pleased to see that one speech has sufficed to work such a sudden change for the better. As I intend to cast my vote against the Government in respect to the amendment now before us, I desire, as a Ministerial supporter, to offer some reasons for my action. I do not propose to discuss the constitutional question. The Prime Minister says that the proposal embodied in the amendment is absolutely unconstitutional.

Mr. DEAKIN.—I am certain of it.

Mr. CROUCH.—But other legal members of the House are just as strongly convinced that the proposal is constitutional, whilst the honorable and learned member for Indi declared that the matter was one for argument, and that the High

Court might decide it either way. I think the proper course to adopt is to allow that tribunal to determine it. Probably honorable members have heard of the Caliph Omar, who, when asked to refrain from destroying the valuable collection of books in the great library at Alexandria, replied—"If they agree with the Koran, they are not wanted; if they do not, they ought to be destroyed." That practically represents the position in regard to this Bill. If the amendment be constitutional, no harm can result from its insertion in the measure. If, on the contrary, it is unconstitutional, let the High Court determine the matter. Personally, I desire that every worker, in whose occupation or profession a strike is probable, irrespective of whether he toils with his hands or his brains, shall be afforded an opportunity of coming under this Bill. It is not for us to pre-judge the decision of the High Court upon the legality of the amendment proposed, and as the amendment will allow the highest tribunal in the land to decide the question, I consider it should pass. The next point to which I shall allude, has reference to the question of States rights. I am here as a representative of the Commonwealth, and not of a State. As such, I desire to retain all the powers which we possess, and to secure as many more as we can. It is the duty of the States Parliaments to safeguard State rights. If a question arises as to what constitutes an invasion of State rights, the proper tribunal to decide it is the High Court, which has been expressly called into being for that purpose. At this stage, I desire to direct attention to the genesis of this matter. I would point out that it was not the Prime Minister who first raised it, but the ex-Premier of Victoria, Mr. Irvine.

Mr. DEAKIN.—The honorable and learned member is quite wrong. The matter was discussed in Cabinet a long time prior to Mr. Irvine's declaration. Mr. Irvine did not know of it until it leaked out some weeks after.

Mr. CROUCH.—At any rate, the first public announcement was made by Mr. Irvine. He was a man who lived politically largely through the railway strike. The strike of the railway engine-drivers consolidated his position so much that he was able to appeal to the electors of Victoria as the great "iron" man who was able to restore responsible government in this State.

Mr. WATSON.—He was returned with his majority long before that strike occurred.

Mr. CROUCH.—Nevertheless, his Government was called into existence chiefly as the result of the attitude which he assumed towards the public servants of this State, and towards its railway employés, upon all occasions. Any one who studies the position must recognise that a large amount of the support which he received was due to the antagonism which he expressed towards State employés, and to the opprobrium which his colleagues heaped upon the Victorian railway servants. It is just as well for honorable members to recollect that the author of this cry as to State rights is not the person whom we should follow, if we are to do justice to our public servants. Personally, I do not intend to vote for the amendment because it will prove acceptable either to the public servants of the States or to the railway employés. My duty is not to them, or to the States, but to the people of the Commonwealth. I stand for the people in this matter. Every argument which the Prime Minister has advanced in favour of bringing other employés under the operation of this Bill is equally applicable to the public servants of the Commonwealth and of the States, and to the State railway employés. In this connexion I would ask honorable members to recall their experiences at the time the Public Service Bill was under consideration. I venture to say that nearly every honorable member was the recipient of hundreds of letters from public servants in reference to the various provisions of that measure. When we came to deal with the clauses of that Bill the public servants were always represented. We knew their opinions and their desires. The Commonwealth was represented only by the Minister who was in immediate charge of the measure, and consequently some amendments were inserted which surprised even honorable members themselves. We dealt with them largely in ignorance. Personally I think that a public servant is generally a well paid and well protected individual. In a few cases he is over-paid, and more than generously treated. I hold, however, that Parliament as a legislative body is quite incapable of dealing properly with our public servants. I should like to see our Public Service Acts entirely swept away, and a properly constituted tribunal established, which would place Commonwealth

and State employés in exactly the same position that other employés occupy.

Mr. DEAKIN.—Does the honorable and learned member think they would accept that?

Mr. CROUCH.—They would have to accept it, if Parliament so decided, and we have the power to force it upon them. I know that some honorable members who intend to support the amendment have been accused of acting under pressure brought to bear by the public servants. Whether that be so or not, I cannot say, but certainly such a remark is not applicable to me. During the recent election campaign I stated over and over again, that any such questions upon which constituents desired to ascertain my opinion must be put to me when I was upon the public platform. I am disposed to think that the adoption of this proposal will disadvantageously affect the public servants of the States. But, as I have already said, we ought to regard it, not from the standpoint of the States or of the public servants themselves, but entirely from that of the people. I have recently been reading up a little American history relating chiefly to the States Rights Party, which was formed in the United States prior to the war of secession. As a result, I find that during this debate not a single argument has been used regarding the constitutional side of the question which was not advanced by the publicists in America in favour of continuing to the States the right to own slaves. I think we may take it for granted that those who now fight against State rights would have done so had they lived in those days. Before the opening of the first Federal Parliament I entertained the opinion that the issue on which parties in this House would be divided would be not the fiscal question, but that of State rights *versus* unification, and I am very much surprised to find the Prime Minister one of the first to introduce the question of State rights in this House, and to hear him acting as the champion of the rights of the States, rather than of those of the Commonwealth. He has treated the question at issue as one of importance, and undoubtedly it is. I should not have thought of deserting the honorable and learned gentleman's lead had not the issue been a vital one. I recognise, however, that we have now reached the parting of the ways—that we have reached the point at which those who are ready to give up certain constitutional rights that we possess must break away from those who

are determined that the full powers of the Commonwealth shall be exercised. In my opinion, the arguments which we have heard on the question of State rights scarcely apply to the point in dispute. Unfortunately, we cannot go further in the direction of unification than is permitted by the Constitution; but it is my desire that we should exercise to the full extent permitted by the High Court the powers granted to us. Those who are not prepared to support this amendment, because of a belief that it is a step in the direction of unification, are really seeking to protect rights which it is not their duty to safeguard. They have been returned to this Parliament to uphold the status of the Commonwealth, and not to give away our powers in order to magnify the States, and, to my mind, those who fail to recognise their duty in this respect will inflict an injury on the Commonwealth from which it will not recover for some years. So far the only States Premiers who have made any very definite pronouncement in regard to their opposition to this proposal are the present Premier of Victoria, Mr. Bent, and his predecessor in office, Mr. Irvine.

Mr. DEAKIN.—Several others have done so.

Mr. CROUCH.—I am told that the Premier of Queensland—

Mr. DEAKIN.—He has not protested.

Mr. CROUCH.—I understand that he has gone a step further; that he has said that he would be glad to find that the High Court is able to deal with this difficulty, and with the ever-recurring questions relating to the rights of public servants. If it is true that he has made that assertion honorable members will accept his attitude as an indication that the views of Mr. Irvine and Mr. Bent, who have largely buttressed the position of their respective Governments by heaping opprobrium upon State servants, do not truly reflect the opinions of the leading politicians of the States in regard to this question.

Mr. JOSEPH COOK.—Mr. Irvine and Mr. Bent have been the best friends the Labour Party ever had.

Mr. ROBINSON.—If this amendment is carried it will be the best friend that Mr. Bent has ever had.

Mr. CROUCH.—Then we are told that we should rely on the High Courts of the Parliaments of the States to deal fairly with their servants. I do not know whether

many honorable members have read the Strike Suppression Bill which was introduced by the Irvine Government.

Mr. FOWLER.—That is an historical document.

Mr. CROUCH.—That is so. If it were distributed among honorable members, it would furnish them with a remarkable illustration of the way in which a State Parliament—the dispassionate impartial Court of which we have heard—can deal with its public servants. In that Bill it was provided that any three men who dared to converse with a railway employé on strike should be liable to imprisonment, and that any one who held the funds of a railway association should also be liable to be imprisoned. It was an outrage upon public opinion and public freedom, and the fact that the Legislative Assembly of Victoria passed the second reading of the Bill proves conclusively that some outside judicial body should be appointed to deal in an impartial and independent manner with questions relating to public servants. It was a most obnoxious measure, and to have placed it on the statute-book would have been to violate all modern principles of freedom of thought and action.

Mr. FOWLER.—The present leader of the Opposition in the Victorian Legislative Assembly asserts that the majority of those who supported the measure felt at the time that they were doing wrong.

Mr. CROUCH.—Quite so. There is one aspect of this question which I think the Prime Minister might even now consider. Whether I like it or not—and I do not like it—I have to admit that this is an age of State socialism. The Government have circulated a Bill providing for bounties for the encouragement of the iron industry, and under that Bill it will be open to the States at any time to take over the industry. If the Labour Party come into office, or in other ways secure increased power, State socialism will spread, and gradually a larger proportion of industries now conducted by private enterprise will be worked as national undertakings. It will thus be seen that, unless this amendment be carried, State industries may compete unfairly with private industries. It was because of this fear that the Employers' Federation of Canterbury, New Zealand, strongly advocated that all public organizations—according to the language employed in the clause now under discussion—and all railway associations should be brought under the State

Conciliation and Arbitration Bill. They felt that if they were called upon under the Act to bear certain disabilities, industries conducted by the State should be placed in the same position. In other words, they considered that State enterprise and private industry should be placed on an equal footing, so far as legislation of this kind was concerned. I have battled against the stream of State interference with what we have previously regarded as private individual effort, but I have to admit that it continues to flow, and if it be the tendency of the day to widen its course, it is surely our duty to see that private industry shall meet State enterprise on fair terms. I have been informed that the reason why the Newport Government Workshops were able to successfully compete against the Phoenix Foundry for the tenders for the construction of a number of railway engines was that the foundry paid higher wages. It is unfair that State industries now in existence, and such as this socialistic movement will create, should be able to compete against private industries, by reason of the fact that private employers are called upon to pay higher wages. That is a point which influences my attitude in regard to the amendment. I do not intend to detain the Committee at any great length, but to my mind the position is an extraordinary one. I do not like to vote against the Government.

Mr. REID.—The honorable member, on this occasion, at all events, is not battling against the stream.

Mr. CROUCH.—I must say that I propose to vote in accordance with the pledges which I gave to my constituents. Instead of the Prime Minister having any complaint against me, I think that he ought to recognise that some of his supporters feel that it is their duty to vote against him on this occasion. Their position was confirmed at the election, and it was a position from which it was simply impossible for them to retire, having pledged their words as honest men.

Mr. DEAKIN.—When did I complain?

Mr. CROUCH.—The rule applies that he who excuses himself accuses himself. I am exceedingly sorry to vote against the Government. In this, only the second Parliament of the Commonwealth, honorable members should, in my opinion, have a free hand, apart altogether from party influences, to vote as they think proper for the future welfare of the Commonwealth and States employes. The Ministry

might fairly have allowed, without threatening to resign, the collective wisdom of the House to override the decision of the Cabinet minority. Indeed, we might follow a course often adopted in the French Chamber. When a vote has gone against the Government, and it has been decided that the consolidated wisdom of Parliament is better than that of the minority as represented by the Government, a vote of confidence is passed on the Government.

Mr. REID.—Ah! that is a good idea.

Mr. CROUCH.—Having heard the hearty acceptance of that suggestion by the leader of the Opposition, I can almost regard it as a promise on his part to immediately make a proposal in that direction, and I shall not detain the Committee further.

Mr. McWILLIAMS (Franklin).—I am sorry to say that an ulcerated throat will make my speaking unpleasant to honorable members and exceedingly painful to myself. I should like, however, to deal with one or two points in connexion with this motion, which I regard as one of the gravest importance—much more important and far-reaching than the fate of this or any other Government. Some honorable members seem to think that too much about States rights has been introduced into this discussion; but I am afraid that if we pass this amendment we shall hear a great deal more on that subject. I differ entirely from those who, although in doubt as to its constitutionality, think that we should pass this amendment, and allow the High Court to decide. The High Court may be quite a proper tribunal on many subjects, but I ask honorable members to remember that we are now dealing with a distinct compact entered into between two parties. The States have surrendered to the Federation certain rights and privileges.

Mr. DEAKIN.—On certain conditions.

Mr. McWILLIAMS.—I am not a constitutional lawyer, and I do not pose as a constitutional authority; but if there is one point on which all writers on the American Constitution are agreed, it is that, Federal power being a delegated power, all rights not delegated are conserved to the States. Some honorable members take the position, "We do not say whether or not we have this power, and we shall go to the High Court for a decision." But my friend, who makes that proposal as a member of Parliament, would be the last to propose it as an individual. By our being asked, as we are now asked, to take deliberate advantage of the

States, this Parliament is placed in the position of a man who, having made a bargain, finds, when it is reduced to black and white, that there is a chance of getting something more than he bought, and who says, "I will take that something, if the laws allows it." The man who would do such a thing is not honest, but is a cheat. I am glad that the honorable and learned member for Northern Melbourne did not pretend to say that when he submitted the motion on this question in the Federal Convention he had the slightest idea that States servants would be included. If the honorable and learned member had that idea, he would have been placing himself in the position of submitting a motion, while hiding "up his sleeve" the most important factor in that motion. He would have to say that when the delegates, after the Convention, toured the States and asked the people to enter into this compact on lines deliberately laid down, they were keeping "something up their sleeves," and entrapping the States into an agreement. We should now be saying to the States, "Whether you gave us this power knowingly or not, we will go to law; if the law will give the power we will take it." That is not a proper position for Parliament to assume. As it was my duty to do at the time, I followed very closely the debates in the different Conventions, and I ask any honorable member who holds that there is any doubt on the question, to point out one line in the whole of the official reports to lead the Convention or the States to believe that the practical control of the States Public Services was being handed over to the Commonwealth. It may be said that the amendment does not mean taking over the control of the States Public Services; but, as our greatest writer says—

You take my house, when you do take the prop
That doth sustain my house; you take my life
When you do take the means whereby I live.

The moment we deprive the States of one power, however small, which they have not deliberately surrendered, we take from them a State right; it is only a question of degree. But apart from that, which I regard as a most important point, what would be our position if the High Court should decide that we have power to practically revise the Estimates of the States Parliaments? A State Parliament having passed the Estimates, and the Treasurer having made provision for the year, the Federal High Court would be able to come in and say, "You have not given sufficient wages to your railway men." It will be seen that

under such circumstances the control of the State's Estimates would be removed entirely from the State Parliament. I ask any honorable member who supports the amendment whether the States intended, when the people were asked to vote on the Convention Bill, that any Court established by the Federation should have any control whatever over the Estimates of a State Parliament?

Sir JOHN FORREST.—No.

Mr. FISHER.—Yes.

Mr. McWILLIAMS.—I ask the honorable member for Wide Bay to point out to me the speeches of any of the delegates who were advocating the Convention Bill, who also advocated that the States public servants should be, or might be, brought under the control of the Federal High Court by the terms of the Constitution. It has come as a surprise to honorable members to know, not that we possess the power, but that there is a chance of our getting the power from the High Court. If this were my individual case, I should be quite prepared to go to the High Court, because—though I do not know whether I am at liberty to say so—I think we have a good idea of what the opinion of two members of the Court is on this matter. They gave their opinion on the point twelve months ago.

Mr. FISHER.—As politicians.

Mr. McWILLIAMS.—The man who, as Prime Minister, would give a deliberately wrong interpretation to Parliament is not a man who ought to sit on any Bench. But I have a higher opinion of the gentlemen constituting the High Court at the present moment than to believe that they deliberately prostituted their opinion as lawyers in order to gain a political advantage.

Mr. FISHER.—It is not necessary to say that. The High Court will hear argument before giving a decision.

Mr. DEAKIN.—Surely this is not a subject to discuss now?

Mr. McWILLIAMS.—I do not want to discuss it, but merely to say that if this were my private case I should be quite prepared to go to the High Court. I think, however, there is a higher aspect of the question. I protest against this Parliament making itself absolutely subservient to any Court. The High Court will have to deal with Acts of Parliament setting forth in black and white the wishes of Parliament, but our functions are much higher. We are here to do justice between man and man,

State and State, and Federation and State. There is not a member of this House who, as a private individual, would attempt to take what I call such a mean advantage out of a bargain as we are here asked to take out of the bargain made between the Federation and the States. I desire to utter my word of protest, and my word of warning, too, against the too frequent attempts made by honorable members in this House to belittle the States Parliaments. I can warn honorable members that in this respect they are sowing seed from which they will reap a serious harvest presently. The honorable and learned member for Corio, in dealing with the question, says—“I am here as a Federalist to take all I can get,” and I say that an honorable member who attends in this Chamber, and is animated only by a desire to secure all he can get out of the States, is a danger to the Federation.

Mr. POYNTON.—We are entitled to all we can get under the Constitution.

Mr. McWILLIAMS.—We are entitled to all we can get fairly, and to no more. I repeat that a bargain has been made with the States, and that those honorable members who say now that they are prepared to take all they can get, whether it was intended by the bargain or not, they would not as individuals follow that course in trade or in connexion with a private bargain made with their neighbours. I intend to oppose both amendments proposed by the Labour Party. I cannot understand the position of some honorable members, who say that they believe it is right to extend the ægis of the Federal Parliament over the railway men, and who are yet prepared to leave all other States servants without that protection. The honorable member for Wide Bay is no doubt perfectly honest and consistent, as are the other honorable members of the same party whom I have heard speaking upon this question. They say—“This thing is good, and we should, therefore, send it right round.” But I cannot understand the logic of the man who says—“This is a good provision for a railway porter, but it would be bad for a policeman; it is good for the railway clerk, but bad for the Treasury clerk; good for the station-master, but bad for the school-master.” I cannot understand that reasoning. If I were to support one of these amendments I should feel myself compelled to support both. Believing, as I do, that we are being asked to deprive the States of a power which they undoubtedly possess

and which they never intended to confer upon us, and believing that should we pass the proposed amendment, and should the High Court by any chance declare it to be within our competence, we should be creating differences between the States and the Federation such as would, in my humble opinion, endanger the very existence of the Union. I am compelled to oppose the amendment.

Mr. MAUGER (Melbourne Ports).—I feel it to be my duty to give just a few reasons that impel me to record exactly the same vote upon this occasion as that which I gave when this matter was previously before us.

Mr. JOSEPH COOK.—Is the honorable member really going to vote against the Government?

Mr. MAUGER.—I am going to vote upon principle. If the Government take certain action, which is opposed to what I consider right, the responsibility is upon them and not upon me. I think I may claim that I have been a consistent and earnest supporter of the Government, I may also say that it was not without a very great amount of thought and earnest and anxious consideration I have determined that I must, on this occasion, vote as I did before. I have listened with the closest attention to the arguments advanced as to the constitutional aspect of the question. I should like to direct the attention of the Prime Minister to one very striking fact in connexion therewith. It is that every one of the official opponents of this Bill, as represented in the Chamber of Commerce and the Chamber of Manufactures, take up exactly the same position in regard to the whole of this measure that is taken up by some honorable members in regard to this particular clause. In other words, they hold that the Conciliation and Arbitration Bill, as submitted by the Government, is *ultra vires*, unconstitutional, and is an interference with State rights.

Mr. FOWLER.—And a man is known by the company he keeps.

Mr. MAUGER.—I do not make that inference, because I believe the Prime Minister and many supporting him are as anxious for arbitration as I am.

Mr. DEAKIN.—The policeman keeps company with the person whom he has in charge, but they do not necessarily agree.

Mr. MAUGER.—There are some people who are opposed to the inclusion of the railway men because, in their opinion, that would be an interference with State rights;

and, for the same reason they oppose this Bill, because they regard it as an interference with State rights, even though it did not extend to other than private employes. I shall read to the Committee a paragraph which appeared in a manifesto which has been submitted to this House, in the form of a petition—

That, in the opinion of this Conference, the Commonwealth Conciliation and Arbitration Bill is uncalled for by the present industrial condition of Australia; that it will prove unworkable, and is *ultra vires* under our Constitution; that it is an infringement upon State rights, and a breach of faith with the founders of Australian Federation.

Those are exactly the arguments which are being advanced against the inclusion of railway employes—and it is for the railway employes I am most concerned. I am convinced that the question of State rights, and the question of the Conciliation and Arbitration Bill as a whole, is going to be tested, if not by a State Government, by a private employers' association; and seeing that these are exactly the arguments used against this measure, and against the inclusion of railway employes and State servants, we had better deal with the whole question first, and then let the matter be tested, and settled once and for all.

Mr. WILLIS.—The honorable member should stick to his party.

Mr. MAUGER.—I shall stick to my party so long as I consider the party right. But, whenever I consider the party wrong, I shall vote in accordance with my conscience, and with what I believe to be right. Having said so much in reference to the constitutional question, I think it right to state, from my point of view, what is the value of this measure. I really believe that its value and effect are considerably over-rated by those who think they are going to benefit by it. I am convinced that the railway men of Victoria will not get any relief from their present position by the operation of this Bill. I think it is only right that I should tell them so plainly. It should be clearly and distinctly understood by them, and by the public generally, that this measure is going to apply even to railway men only when their dispute extends beyond the boundaries of one State. It is because it will apply only when a dispute extends beyond the boundaries of one State that I respectfully urge that there can be no interference in State rights in connexion with this matter. I know that there are good grounds, for the railway men especially, urging that they should be brought under this amendment, although I believe it will not

benefit them to the extent they suppose. I hold in my hand a very remarkable document which has just been issued by the Victorian Railway Commissioners. It is of so serious a character as to make many persons talk about another strike. In the ordinary course of events we should be celebrating to-day in Victoria the winning of the eight hours principle. It is notorious that the Government of the State, through its Railway Commissioners, is undermining that principle. An article appeared in the *Age* a few weeks ago, in which it was pointed out that in regard to the engine-drivers the eight hours principle was being gradually undermined, and that many of them are being compelled to be on duty for twelve or fourteen hours a day. It was urged that the circumstances demand this sacrifice on their part.

Mr. KELLY.—Is this pertinent to a Federal measure?

Mr. MAUGER.—It is pertinent to the question which we are discussing. What have honorable members to say about this statement?

Commencing on Monday next, 18th inst., your cabin is to be a ten hours box, and your shifts will be as follow:—Week about, 5 a.m. to 3 p.m.; 3 p.m. to finish (12 a.m. or 1 a.m.).

That means that in a number of the signal-boxes, which had been worked on the eight hours principle up to the time of the issue of this document, the men are for the future to work on a ten hours shift. I hold that this is not only the abrogation of a great principle, but is also a great danger to the people of Victoria, and insures irritating conditions to the railway employes.

Mr. KELLY.—Can the honorable member show that the proposed Court would touch them?

Mr. MAUGER.—I am trying to show the reasons which have prompted railway men to ask this House to give them some measure of relief in the form of an Arbitration Act. It is the existence of dreadful conditions of employment which impels the men to look in this direction for relief.

Mr. ROBINSON.—If the honorable member will read this morning's *Age* he will see that the men get very good conditions now in Victoria.

Mr. MAUGER.—I have already quoted from an article in the *Age*. The men believe that the passing of this measure will lead to the betterment of their conditions. But I think it my duty to say that the only relief which they can get will be through the

medium of a State Arbitration Act, or by intrusting all industrial legislation to this Parliament.

AN HONORABLE MEMBER.—The only immediate relief.

Mr. MAUGER.—Surely this is no reason why I should be asked to deny the men the relief which they may get under this measure. I wish to confirm the statement I made by a quotation from an interesting newspaper called *The Pilot*, which was issued in the interest of the late member for Melbourne during the recent contest. The important and alarming statement which I am about to quote was written in the interest of a candidate who was opposed to State socialism, and it is headed "An Example of State Socialism."

There are 1,000 locomotive drivers and firemen employed. These men are compelled to work at least an hour and a half on every shift for nothing. In other words, the Commissioners get 1,500 hours' work every day for nothing from these employes. Right through the service the workers are sweated. . . . There are some 3,000 men receiving from 6s. a day downwards, and giving more than eight hours' work (often dangerous) for it.

I am strongly of opinion that the men are suffering from serious grievances. I am convinced that the Commissioners are taking steps which are gradually but certainly undermining the eight hours principle in this State. I took up the position in December last that I would do my best to secure this relief for the railway men, being left free to use my discretion when the Bill came up for consideration, and I am convinced that an overwhelming majority of the voters, at any rate in Melbourne and suburbs, are for including them within its operation, and leaving the High Court to decide the legality or otherwise of the provision. I, therefore, feel it my duty to record my vote in that direction, regretting very deeply that the Government have taken up the position which they have.

Mr. BROWN (Canobolas).—I wish to say a few words with regard to some of the addresses which have been delivered since the Bill was taken into Committee. In the debate on the second reading, particularly in that very able speech by the Prime Minister, the position which is being considered now was discussed at some length. At that time the honorable and learned gentleman put forward the plea against the inclusion of State servants within the scope of the Bill, on a twofold ground—first, that, in his opinion, it was unconstitutional; and, secondly, that it was not desirable, if constitutional. At this stage I do not wish to

discuss these positions at any length. The House may form its own opinion as to whether the inclusion of State servants is constitutional or not. The point has been debated by some of the best lawyers in the Commonwealth, and their opinions are as far apart as the poles. The High Court is the custodian and the interpreter of the Constitution. It will be the function of that body to determine whether this proposal is constitutional or otherwise. With reference to the expediency of including State servants within the scope of the Bill, that is a matter of opinion upon which wide differences are permitted. I have already expressed my views on that point, and I do not propose to repeat them. I now come to the third position taken up by the Prime Minister, in the course of this discussion, and reiterated by several honorable members, that is, that those who support the proposal now before the Committee are using it to attack the Constitution with a view to bringing about a unitary, rather than a Federal, form of government. I yield to no man in my loyalty to the Constitution, and in my desire to see its provisions carried into effect. I do not wish to see them subverted, and if I were convinced that the contention of the Prime Minister, that the amendment is an insidious attack on the basic principles of that instrument, is correct, I should be compelled to reconsider my position with regard to it. It appears to me, however, that there is nothing in his contention, and that he has only manufactured a bogey. Any attack upon the Constitution must fail because of the safeguards provided in the instrument itself. In the first place, the Bill, if amended and passed by this Chamber, would have to undergo the scrutiny of the members of the Senate, whose particular duty it would be to look at its provisions from the stand-point of State interests. We in this House more particularly represent the people of the Commonwealth as a whole, and though it would not redound to our credit or common-sense to unwarrantably attack State rights, it is not our particular obligation to regard them. That is the function of the Senate, and if they considered the provision which we wish to insert an invasion of the rights of the States, they would veto the measure, and no power which we possess would enable us to compel them to pass it. But there is a further safeguard. The High Court of Australia has been created, not only to interpret the Constitution, but to act as its custodian. To a large extent it has been

modelled upon the American Supreme Court, and I do not consider the departure from British precedent altogether wise, because in my opinion Parliament should be the custodian of the Constitution. The creation of the High Court, however, was provided for by the Federal contract; and if after the Bill, as we propose to amend it, became law, an application was made to the Court for a decision as to its constitutionality or otherwise, the Court, if it considered that there was an unwarrantable invasion of State rights, would declare the measure invalid. If that were done, nothing short of an alteration of the Constitution would replace it upon the statute-book, and such an alteration is so hedged round with difficulties, that it would require a long political struggle to bring it about. No matter how large the majority of electors in favour of an alteration, any considerable opposition by a minority would render it practically impossible. Therefore, it seems to me that the statement of the Prime Minister was only the drawing of a red-herring across the path of those who feel disposed to support the amendment, but who have not quite made up their minds whether they will desert the Government for the sake of a principle. I wish to make this phase of the question as clear as I can, because if the exact position of affairs is not placed before the Committee, and, through the Committee, before the country, great injustice may be done to those who support the amendment. It is far from my wish to destroy the Federal contract in order to bring about unification instead of a Federal form of government. Possibly in years to come unification will be the result of Federation, but, if so, it will come about by the gradual development of public opinion. I think I have shown that the Constitution itself contains sufficient safeguards to maintain the basis upon which it was established so far as concerns the transferred services. But the Constitution also lays down specifically to what extent the functions of the States Governments shall be transferred, and what powers shall be reserved to the States. The Constitution provides that the States may transfer to the Federal Government the control of the railways, and it also provides for the consolidation of the national debt. But it reserves to the States the fullest power of determining whether those functions of government shall be transferred or not. In view of the clear and

specific manner in which the Constitution has been drafted in those respects, I contend that there are no grounds for the charges which have been made against the supporters of this amendment. If I believed that unification was preferable to Federation in respect to the functions of government which are reserved to the States, I should be prepared to fight for that principle in the constituencies, and to get the sanction of the people of Australia to it. As to the inclusion of the civil servants within the operation of this Bill, I have already indicated that I consider it to be a wise provision. If it is found to be necessary to apply this Bill to private enterprise, as far as the Constitution enables the Federal Parliament to legislate in that direction, I fail to see the wisdom of drawing the line to exclude those persons who happen to be in the employment of the States. I can quite see that there are conditions in State employment that invite some tribunal of this character to deal with grievances that are constantly arising. The provisions of the Bill will not meet the whole of those grievances. There are matters that the States Parliaments only can deal with by means of special tribunals for the purpose of holding the balance evenly between the different sections. But, as far as concerns the railways, and in many other directions, State employes are proper subjects for the Arbitration Court. We must not overlook the fact that there is a strong tendency on the part of the States to engage in a number of industrial enterprises that have hitherto been left entirely to private enterprise. Practically, all the railways of the Commonwealth are under State control and management. They are worked by servants of the States. There are not wanting indications that State operation will extend to similar avenues of employment. Proposals are constantly being submitted in favour of the State taking a hand in the matter of mining development, in respect to working coal mines, and in the construction and repairing work of the railways. These incursions of the States into productive avenues will mean the employment of a larger number of persons who will be under State control. If that tendency is to continue and extend, undoubtedly there will be disputes which will call for the intervention of a Conciliation and Arbitration Act. If the States Legislatures can deal with those disputes so much the better. But if an acute condition of affairs arises it means that a dispute in one State may spread into other States. In that case the

Constitution has armed the Federal Parliament with the necessary power to intervene. It can certainly intervene, so far as private employment is concerned, and I contend that it should also intervene with respect to State employment. I think that the States will welcome legislation of this character to assist them in the settlement of such disputes. That is the reason why I feel compelled to make provision in the Bill for carrying out the instructions of the Constitution. We should make the measure as wide and as operative as possible for meeting any difficulties that may occur. Some criticism has been hurled at the States Courts of Arbitration. I do not hold that these Courts are perfect. The attempts which have been made in New South Wales to render the Act more effective, have met with opposition, not from the Labour Party, but from those who are averse to all legislation of that character. It has been the experience of New South Wales, and even the Judge of the Arbitration Court there has referred to the matter, that opposed to all legislation of this kind are those who will fight it by fair means, if they can effectively do so, but who are not above foul means if they think them more effective. They are not above making false statements as to the operation of arbitration measures in the States and elsewhere to bias public opinion against their underlying principle. The amending Bill, passed by the Legislative Assembly during the last session of the New South Wales Parliament, was thrown out by the Legislative Council, whose special function appears to be to protect the privileges enjoyed by the propertied classes of the community. The honorable member for New England criticised the operation of the Arbitration Act in New South Wales, and stated that, in one instance, a philanthropic gentleman who had employed a non-unionist, because he desired to assist him, was brought to book by the Arbitration Court, and fined £5. The honorable member took part with myself and others, some years ago, in fighting a great democratic battle in connexion with a proposal for land-value taxation; and, no doubt, he will remember how certain philanthropic gentlemen espoused the cause of the "poor widow." The honorable member was chased all through his electorate, owing to the representations that were made as to the injustice which would fall upon this mythical "poor widow." I will undertake to say that the case quoted by the honorable member is of very much the same character.

Mr. LONSDALE.—The case to which the honorable member refers was fictitious, but I have recounted nothing but facts.

Mr. BROWN.—I would recommend the honorable member to substantiate his facts. If he referred to Mr. Justice Cohen, I think he would obtain information which would put quite another complexion upon the matter.

Mr. LONSDALE.—Not at all; Mr. Justice Cohen admitted that an injustice was being done.

Mr. BROWN.—The honorable member ought to know that the principle of an Act should not be condemned on the strength of cases of injustice arising from improper administration. Even if the instance quoted by the honorable member were capable of absolute verification, it would not in any way affect the principle which underlies the Act.

Mr. LONSDALE.—I know all about the case, and mentioned the facts only.

Mr. BROWN.—I am sorry that the honorable member should be angry.

Mr. LONSDALE.—I am not at all angry; I am only emphasizing my original statement.

Mr. BROWN.—I am much surprised at the attitude assumed by the honorable gentleman on the question now before us. I have taken part with him in many good democratic battles, and I hope to do so again. The Minister for Home Affairs strongly criticised the attitude of the Labour Party towards the amendment, and more particularly its treatment of himself and the Government. He seemed to think that he had conferred some great favour on the Party during the three years that he had had a share in controlling the destinies of the Commonwealth. He apparently believes that his administration could not be improved upon, and that we are basely ungrateful because we dare to think for ourselves in regard to this measure. He threw out a hint, which was repeated by the honorable member for Robertson, that the attitude assumed by the Labour Party towards the Government was the outcome of some meeting which had been referred to as a caucus. The honorable member for Robertson also stated that the Government had been kept in power by the force of the caucus. I may inform him that the fate of the Government has never received any consideration at the hands of the Labour Party. Unlike other parties in this House, we have a political programme, know what we want, and make

no departure from the principles which we have agreed to support. In the first place, we go to the electors and invite them to formulate their claims. We then pledge ourselves to carry out the programme upon which they decide, as speedily as we can, and we are as strictly bound to adhere to that programme as free-traders and protectionists are to support their fiscal principles. A member of the Labour Party could not be recreant to his principles without being false alike to his party and to his constituents. Unfortunately, some politicians have been in the habit of making promises without seriously considering how they could be carried out, with the result that they have been obliged to substitute expediency for principle. Honorable members have been ranged on either side of the fiscal question, but so far as general legislation is concerned, particularly that of a social character, they have had no policy, and have been moved to action solely by the pressure of their environments. The Labour Party has proclaimed its political platform throughout the whole of the States, and place and power have never occupied a line in that programme. Its members have always been prepared to support those who were willing to legislate in accordance with its views. It has not attempted to "squeeze" any side in politics, but the governing powers, both in the States and the Commonwealth Legislatures, were perfectly well aware that if they wished to secure its support they must give effect to its programme. That is the only influence which has been operative in the Parliaments of Australia. There is absolutely no foundation for the charge which was made by the Minister for Home Affairs that the Labour Party has "squeezed" the Ministry. It has merely given expression to political thought outside of this House. It may be mistaken in its view of what would be the effect of its programme if put into operation, but, nevertheless, its members are pledged to that platform. Whilst they make principle their main consideration, if it falls to their lot to assume a more responsible position in this Parliament, I have no doubt that they will rise to the occasion. Nevertheless, it cannot be denied that hitherto the charms of office have not weighed with the Labour Party, and I hope they never will. I trust, therefore, that we shall hear no more of the allegation that some of its members have been coerced into voting against their own consciences. I ask the honorable member for

Robertson to recollect that some members of the Labour Party, who, like himself, are staunch free-traders, can give as good an account of their attitude on the fiscal issue as he can. We fought the Government on that matter, and supported the Free-trade Party. The Tariff would have been very different from what it is to-day had it not been for the action of the Labour members. It would have been very much more on the lines on which it was originally framed. Whilst the honorable member for Robertson may claim that the Free-trade Party was instrumental in reducing the burdensome items of the Tariff, I hold that no reductions could have been secured without the assistance of the Labour Party, free-traders and protectionists alike.

MR. WILLIS.—We had not the assistance of the protectionists.

MR. BROWN.—Yes. The protectionist members of the Labour Party voted in favour of reductions in the case of a large number of heavy protective duties, and in that way assisted to bring about material changes in the character of the Tariff. I trust that honorable members will be fair to each other. We have had some very warm fights in this Chamber, but the Labour Party has always fought fairly, and to charge its members with being the enemies of the Constitution, and with sacrificing their free-trade principles, is, to use a pugilistic phrase, "hitting below the belt."

MR. O'MALLEY (Darwin).—We have heard a good deal during the course of this debate about the interference of the Labour Party. The members of that party deeply regret the necessity of assisting to dispense with the services of the Deakin Government. I must confess that, as an American—

MR. MAUGER.—An American?

MR. O'MALLEY.—Where is Canada? Is it in America or in Australia? I freely confess that I do not believe in Ministers enjoying a long tenure of office. It produces a system that is not calculated to advance the youth of the country. I think that if we had a change of Ministry every year it would be better. We should then be able to train our young men to assume Ministerial office whenever it became necessary for them to do so. A good deal has been said during this debate in reference to Crowns, sovereigns, and sovereign powers. Last night one honorable member declared that there were two Crowns in Australia—the State Crown and the Commonwealth Crown. Therefore we are about to reduce the power of the

Sovereign, because two Crowns make half-a-Sovereign. I would ask honorable members if it is not ridiculous to talk of "Sovereign" powers in a country in which one cannot kill a dog without first telegraphing to Downing-street for permission to do so? These arguments only tend to show that the opponents of this Bill have been driven into a corner. Every idea that has been preached against the inclusion in the provisions of this measure of the public servants of the Commonwealth and of the States has been urged by John C. Calhoun, Bob Tombs, and Jeff Davis, the nullifiers and secessionists. I heard the same arguments advanced at Washington many years ago. What has compelled me to lose faith in my legal brethren is that thirty years ago, when they attempted to introduce the Inter-State Commission Bill in the United States, great legal luminaries stood up and declared by the sacred heavens that if it were carried the country would go to the dogs and the Constitution would be broken up. In 1888 the Bill became the law of the land, and to-day the Inter-State Commission controls the roads of the United States, and its establishment has been declared constitutional. These facts induce me not to place too much reliance in the declarations of the legal members of this House. No doubt they have devoted a deal of attention to the measure; but, after all, they are only human. In the *Herald* of this afternoon I see the report of a great strike in Hungary. The cable message relating to it is headed "Railway Strikes on State Railways," "State Railway Strikers Gather at the Capital," "Serious Trouble." It sets forth that some of the strikers are running trains for the purpose of bringing their fellow-strikers into Budapest, the Government apparently having no control over them. We have heard many of the legal members of this House discussing the question of the invasion of States rights, and I would ask the Committee—What are the States? They are political conveniences created by human beings for the purpose of guaranteeing to every individual in their midst inalienable and indestructible rights. When Captain Cook came to this country, was this part of Australia known as Victoria, and did the sheet of water now known as Hobson's Bay bear its present name? Neither this Government nor the Opposition put Victoria where she is; it is the people who constitute the State, and the very people who constitute it are going to protect their public servants. The

Commonwealth was established so that every human being in Australia might enjoy to the full his rights and liberties. It was created to give privileges to none, but rights to all. The situation of labour in many of the States resembles the rent situation in Ireland prior to 1881. Before that date frequent disturbances took place between landlords and tenants in Ireland. Evictions were common, and were accompanied by human bloodshed and crimes of various kinds. The tenants formed combinations, and boycotted the landlords and their agents. Rents were fixed by contract, but the tenants claimed that they were altogether too high and unfair. The Imperial Parliament, which is a far greater Parliament than this, endeavoured for many years to bring about industrial peace in Ireland by passing various land laws, and by increasing the constabulary force. But notwithstanding its efforts, the disturbances in Ireland became more and more pronounced. In 1870 the Imperial Parliament passed an Act, section 25 of which gave power to parties to submit their disputes in relation to rent to arbitration, provided that both parties were satisfied to do so. But both parties were never satisfied. The rents were fixed by landlords and their agents, and tenants being poor, and far more plentiful than tenancies, had to outbid each other in order to secure a place in which to live and labour. The Act to which I have referred proved of no avail, for voluntary Arbitration Acts can never bring about any good results. Of all the laws passed prior to the year 1881, not one of them provided for a tribunal to protect the tenants from avaricious, grasping landlords. Even the Judge to whom application was made for an order of eviction had no power to consider whether the rent levied by the landlord was an equitable one.

The CHAIRMAN.—Does the honorable member think that this matter is relevant to the question before the Chair?

Mr. O'MALLEY.—It has a bearing on the question of arbitration.

The CHAIRMAN.—The amendment provides for the extension of the Bill to States servants.

Mr. O'MALLEY.—I am aware of that, Mr. Chairman, and in due course I shall connect my remarks with the question immediately before the Chair. At the time to which I refer, a Judge who was asked to make an order for the eviction of a tenant had no power to determine whether

the rent charged was too high, or to say whether, in his opinion, the tenant was able and willing to pay a reasonable rent.

Mr. WILLIS.—When was this?

Mr. O'MALLEY.—Prior to 1881. It was in that year that Mr. Gladstone and the Liberal Party in England, assisted by the Home Rulers, or the Labour Party, in the House of Commons, carried a measure which for the first time gave Ireland industrial justice. There can be no industrial peace without industrial justice, and in this connexion I would point out that honorable members of the Opposition have, apparently, neglected to study the first principles of Christianity. The Act passed in 1881 provided for the establishment of a Land Court in Ireland, and also for the appointment of a Land Commission, with power to declare what should be a fair maximum rent for fifteen years in respect of a given agricultural holding. Ever since then peace, prosperity, and happiness have been on the increase in Ireland. I would remind the Committee that the very Conservative Party which opposed that measure quite recently carried one of the greatest land reforms of which we have ever heard. But here we find representatives of Australia, which has a population of only four millions—a population not as large as that of the State of Illinois—talking about ruination. We have in Australia not half the population to be found in the State of New York—

Mr. DEAKIN.—That is our difficulty—want of population.

Mr. O'MALLEY.—We are crying out for more population, because some persons apparently desire that the number of men looking for the one job shall be increased. By-and-by we shall have them slaves. I come now to the question of States rights. I hold that the States rights question was conceived in slavery in the southern States of America, and was born to enslave human beings. I have before me a resolution carried by the great predecessors of the States rights party in this House, which related to the doctrine of non-interference. "The Doctrine of Non-Interference" was the name applied to the doctrine of John C. Calhoun, that Congress had "no right to interfere with slavery in the States and territories." When General Jackson was asked by the Presbyterian minister whether he had forgiven every one, he said that he had, but that he had not forgiven himself for

his failure to hang John C. Calhoun. The Prime Minister has adopted this doctrine of non-interference for the Commonwealth of Australia. Listen to this resolution which was passed in 1848—

That the doctrine of non-interference with the rights of property of any portion of the people of this Confederacy—

The Prime Minister, with every honorable member who opposes the Labour Party on this occasion, is supporting a Confederation of Australia, and not a Commonwealth or Federation. Do these honorable members contend that the Commonwealth is simply a number of sovereign separate States united in a compact under one single Government for mutual defence? Not at all. The mistake that our friends make is that they have not got out of their State swaddling clothes yet. They have been too long at home; and it would profit us to pay their fares to the United States, where they could learn what a Federation means.

Mr. McCAY.—Is the incoming Ministry going to do that?

Mr. O'MALLEY.—If I have anything to do with the incoming Ministry, I should not mind placing a certain amount on the Estimates for that purpose. What do these honorable members mean by States rights?

AN HONORABLE MEMBER.—What about the resolution of 1848?

Mr. O'MALLEY.—It is of no use to read the whole, because it is simply a slavery resolution claiming that the Commonwealth had no power to liberate the negroes. The Nestor of the American bar, Charlie O'Connor, declared that although the North fought the South for four years, the Commonwealth had no power to knock the shackles off the ankles of 4,000,000 negroes. The Prime Minister desires to shackle the ankles of the public servants. I know, as the honorable and learned member for Northern Melbourne said, that the Victorian railway men, when the strike took place, were prepared to submit their case privately to any Judge of their own State.

Mr. MALONEY.—Any Supreme Court Judge.

Mr. O'MALLEY.—And if that Judge decided they were wrong, the men were prepared to withdraw from affiliation with the Trades Hall. But the Victorian Government would not accept the suggestion; the tyranny of despotism of these tin-pot Governments often over-rides nationality.

Mr. CONROY.—I thought it was the sovereign people who elected the Government.

Mr. O'MALLEY.—Where are the sovereigns? The people have the power, but what they want is less power and more sovereigns. On the question of States rights, I may quote the American case of a Cherokee Indian, who was arrested and sentenced to be hanged at the instance of a State. This case found its way to the United States Court, and Chief Justice Marshall gave a judgment to the effect that the State had no power to hang the Indian; but the State hanged the rooster just the same. There is another case of two missionaries who made their way into territory claimed by the State of Georgia, and were arrested. When this case was brought to the Court, Chief Justice Marshall, whom all my legal brethren are quoting, gave his decision in favour of the missionaries; but "Hickory" Jackson, who fought the battle of New Orleans, is reported to have said—"Well, Judge Marshall has given his judgment; let him enforce it." Later on, as the United States grew older, they got respect for their own Courts, and began to obey the decisions just as Australia will gain respect in the case of its own High Court.

Mr. FISHER.—We shall become civilized.

Mr. O'MALLEY.—Exactly. The human family are savages; there is no civilization. If two men are fighting on the street, there is hardly an aristocratic lady or gentleman who will not get as close as possible to see the fight out. I have given the Committee American decisions against the doctrine of States rights; and there is no doubt that States powers are limited. The doctrine of States rights is that, at the formation of the Commonwealth, the States delegated certain of their functions to create the Commonwealth, but that they reserved the right to revoke this delegation, or any portion of it, at any time they liked, while remaining an integral portion of the Commonwealth—that they reserved to themselves, by this power to revoke, the right to resume all the autonomous powers they possessed before they entered the Commonwealth, and yet remain in the Commonwealth. That is neither more nor less than a nullification of Federation; but honorable members have not courage to say so, as John C. Calhoun did when he resigned from the Vice-Presidency of the United States, in order to declare his opinion in the United States Senate. We, Commonwealthists, on the

other hand, hold that every State is supreme within the limits of its own sphere, by the declared will of the people, as expressed in the Constitution; and that will properly manifested, as provided in the Constitution, can change the sphere. That is the doctrine of Federalists, and it is my doctrine. Is it the doctrine of those who are opposing the amendment?

Mr. KELLY.—Exactly.

Mr. O'MALLEY.—Then, why do not honorable members preach that doctrine? In the Constitution the powers of the Commonwealth are distinctly and specifically stated, and the powers and rights of the States are limited only by the expressly declared power of the Commonwealth. Those honorable members, who are using the States rights argument, say—"We have no right to interfere in Victoria, because the railways are State property." But in Victoria the other day there was started a tobacco monopoly, under which a lot of factories have been closed, and the services of a number of people dispensed with. I venture to say that the honorable and learned members for Indi, Northern Melbourne, Corinella, and Bendigo, if they were put in a room upstairs to-morrow, could so frame a Bill as to make that monopoly a State matter, removed from the operation of any Conciliation and Arbitration Bill. It might be that lawyers in Australia could not perform that feat, but I am sure American lawyers could so arrange matters that the Commonwealth Conciliation and Arbitration Bill would be absolutely useless in such a case. Honorable members have not really gone into this question yet. It seems to me that we ought to allow this High Court, for which we battled so hard, and in connexion with which we pay salaries of £3,000 and £3,500 a year—

Mr. MALONEY.—And other expenses.

Mr. O'MALLEY.—Never mind the cost; the High Court is cheap. I hold that, if we can get justice by means of a High Court, when without it there is a danger of even one man being wronged, it is worth billions of pounds. Take another point. The American colonists went to war with England—and this is the very country from which State rights come. They went to war on principle, but did they fight each Colony for its own independence? Certainly not, but each for the independence of all, as was shown by their joint action throughout that great struggle. Those acquired rights were never individually exercised, but remained under the

rational authority created by the common fight for freedom. I propose to deal with this States rights theological brigade, as I call them. On its very face, the principle is self-contradictory. The Commonwealth has power to amend her Constitution, and I ask the Prime Minister whether we must consult the States Parliaments on an amendment of the Constitution?

Mr. DEAKIN.—There must be a majority of the voters in a majority of the States. The States are recognised to that extent.

Mr. O'MALLEY.—A majority of the people, but not of the States Parliaments.

Mr. DEAKIN.—A majority of the people who make the Parliaments.

Mr. O'MALLEY.—There is a difference between States Parliaments. Take the "dead-House" in Victoria.

The CHAIRMAN.—Order!

Mr. O'MALLEY.—It is all very fine, but this is a great discussion, and it is just these gentlemen who have opposed this proposal tooth and nail. Therefore, I say, take the "dead-House" of any of the States, members of which are completely dead, or dead and not buried, but left, through the art of the embalmer, as curios for future generations. What I want to show is that all the signs and insignia of sovereignty are with the Commonwealth and not with the States—the power to coin money, and the power to amend the Constitution. All we have to do is to let the people amend the Constitution. I say that if States rights were intended to be preserved the men who made the Constitution would have put that in the very fore-front of the Constitution, and the Parliaments of the States would have had to give their consent before the Constitution could be amended. In the United States there must be two-thirds of the Parliament voting and three-fourths of the States Parliaments voting in support of the proposal before the Constitution of that country can be amended. We simply leave the matter to the people, and if we were to submit this question to the people of the Commonwealth of Australia, I should be prepared to go back to America if we could not carry it, and some persons would be glad to get rid of me.

Mr. KELLY.—The honorable member ought not to imperil the motion.

Mr. O'MALLEY.—All I ask is that the matter should be submitted to a referendum of the people. It is all very fine for honorable members to say that the country has declared against it. The Prime Minister,

when at Ballarat, in the exuberance of his generosity, declared strongly for this, and we accepted it, but the honorable and learned gentleman's numbers went down from thirty-four to twenty-five, and in the Senate they dropped down two, whilst our numbers went up from twenty-seven to thirty-four, and there are more Christians to follow. This was at a time, be it remembered, when the great journals of this country said that we would be wiped out. In Tasmania the people at several little farming places would hardly listen to me. They said, "You will be wiped out. There will be no Labour Party after the next election." They believed these false prophets, but the result of the election was the victory of the Creator and Democracy on one side, and the defeat of fossilism and ante-diluvianism on the other. Do honorable members mean to tell me that a man must leave his own country before he can secure protection? Some honorable members propose to declare here that no citizen of Australia shall get protection in the Commonwealth. If a man wants protection he must leave the States of the Commonwealth, and must go to Spain, Japan, or China. We are to protect a citizen of the Commonwealth in foreign countries, but we are not to protect him at home. I ask the Prime Minister whether that is to be the doctrine? The position is in a nutshell, and it is this: We allow the Commonwealth authorities to cross the States lines to punish violators of the Commonwealth law. Only the other day we crossed the States lines to deal with a few leaders of churches in this country who had been attending strictly to the Customs House. A few leading gentlemen in this country, who despise the Labour Party, were dipping their hands into people's pockets through the Customs House, and we crossed the States lines to punish them. But honorable members say that, although we are prepared to cross the States lines to punish violators of the Commonwealth law, we have no power to cross States lines on a mission of love, mercy, and justice. The moment the Commonwealth proposes to perform an act of justice and righteousness the lines of the States rise up like the wall of China, and the shield of the Commonwealth power crumbles to the dust the moment it touches one of those lines. That is the doctrine which is preached. I have heard the legal members of the House, and, listening to the honorable and learned member for Wannon repeating a number

of dry legal phrases, I was reminded of the American who many years ago went to England to have a look at the college where he was educated. When he came back his friends said to him, "How did you find the old Professors?" and he replied, "I found one milking the barren heifer, and the other holding the sieve." That is the kind of thing we have in this House. Our legal friends are afraid to step forward. They are afraid of their own shadows. They are always hunting for authorities. I find them in the library day after day, chasing for what some man said two thousand years ago. We have no desire to know what was said two thousand years ago. What we want is living men. I wish honorable members to look at the question from another standpoint. Suppose that the citizens of the States were sent to the front to fight in an unpopular war, and that on the return of these old soldiers, battered and bleeding, to their States they wrote to the Prime Minister and said—"We want you to protect us," and that in reply to his statement—"No, look to your State," they were to say—"The State is the very institution which is persecuting us." I submit that a Government which will not protect its defenders is only a deception. I contend that the Government ought to be sufficiently strong and powerful to reach out its arm to the remotest corners of the Commonwealth, and give justice to all. As we approach danger it seems to gradually disappear. The awful fear of what was going to overtake us frightened us. Some honorable members have said that the Labour Party will not accept the responsibility of office. They may take it from me, sir, that we should be only too delighted to assume the responsibility of office if we had the numbers behind us. We would guarantee that within a period of three years from our accession to office prosperity and happiness would reign in this country, as it reigns in New Zealand to-day. Let me state the position of the Labour Party. We did not come into the House to say that honorable members are bad, but to say that their arguments are bad. The best of good feeling prevails in the Chamber. I have the most profound respect for the wisdom of the House collectively; I have a great regard for the judgment of each of its members. We can all work together. Every law is the result of stipulation and compromise. The Labour Party has been faithful and loyal to the Government for three years and three months.

Mr. CONROY.—The honorable member means that the Government have been faithful and loyal to the Labour Party.

Mr. O'MALLEY.—Excuse me, we have had only that miserable £400. The time is fast approaching in this country—and I thank the Creator for it—when the Government will not be dictated to by the mercenary representatives of Mammon. We have made up our minds not to submit to such dictation. Humble and democratic as we are, we intend to ascertain the right. We are going to realize that right is might, and that the performance of human duties and human obligations, however unpopular, is the highest triumph of Christian civilization.

Mr. CONROY (Werriwa).—On this occasion I really feel almost at a loss to know how to proceed, because on almost every other occasion when I have addressed the Chamber I have not known Ministers to have a mind of their own. For the first time in a period of nearly three years and a half we find them resolved to defend, as they assert, a certain principle. It comes almost as a novelty to one who, like myself, has sat in only one Parliament, and had experience of only one set of Ministers, to find them taking this stand. If we had had such demonstrations in the past there would not be on our statute-book to-day some of the measures which are defaming Australia and lowering us in the esteem of civilized nations. A reason for this legislation has now been given to us. From the Minister for Home Affairs we have had an admission that the men who have been dictating the measures have not been in the position of responsibility which they ought to occupy. The parliamentary rule is that every measure ought to be defended by its authors. But we have had an admission from the right honorable gentleman that for nearly three years and a half the Government have been running at the tail of the Labour Party, have been doing all that they were told to do, and have been as subservient as men could possibly be. Yet this is the return which they meet with.

Mr. DEAKIN.—He did not say that, or anything like it.

Mr. CONROY.—If he did not say that, it was so clearly understood that he stood here for a few minutes bristling with indignation.

Mr. MAUGER.—It is a gross misrepresentation of what he said.

Mr. CONROY.—The honorable member will have a chance of expressing his view of the occurrence, and I have no doubt but that he will approve of everything that the Ministry has done. I cannot understand why he is parting from the Ministry on this occasion, unless it be for the very strong reason, given by the honorable member for Capricornia, that neither he nor the Ministry knew that this amendment was loaded, and that when they made this bold resolve on their part, they did not anticipate that any result disastrous to themselves would follow. A great deal of time has been taken up in discussing the amendment, on the ground of constitutionality, and on the ground of expediency. It has resolved itself into a motion of want of confidence in the Government.

Mr. MAUGER.—Nothing of the kind.

Mr. O'MALLEY.—They have made it so themselves.

Mr. CONROY.—It was made for them, and they could not help themselves. The occasions on which a Ministry can be turned out are really very few. In the last Parliament, it was almost impossible to turn out the Ministry, because it had only to be shown that there was a majority against any principle which they advocated, when, lo, and behold, their belief in the principle immediately disappeared, and it was found that they had taken to heart the well-known lines—

A merciful Providence fashioned us holler,
On purpose that we might our principles swallow.

We had a hundred instances of their belief in that doctrine. In my opinion the amendment ought to be treated as a motion of want of confidence in the Government, as it is. At the present time they are not able to frame a measure which will command the approval of the House. Surely the Labour Party will not say that this Bill meets with their approval? If it does, why do they intend to vote for the amendment? The reason why other members intend to vote in the same direction is because the Government are not able to frame a measure which will meet with their approval. Other honorable members are very glad indeed to seize an opportunity of ousting the Government, because it does not possess their confidence. There is no doubt that the honorable member for Melbourne Ports—whatever he may say to the contrary—really feels that the Government has not his confidence.

Mr. MAUGER.—That is not correct.

Mr. CONROY.—There is no doubt that the honorable member feels that the Government are not able to frame a Conciliation and Arbitration Bill which will satisfy him.

Mr. MAUGER.—Let the honorable member speak for himself.

Mr. CONROY.—The honorable member has declared the direction in which he intends to vote. Of course he intends to vote against a Government in whom he cannot have any confidence, otherwise he would not have stated his reasons for voting for the amendment. I presume that half-a-dozen honorable members who have formerly followed the Government are animated by the same reasons. They are all treating the amendment in exactly the same spirit. Some objection was taken to the statement of the honorable member for New England that he intended to vote for the amendment, not with the idea of supporting the Bill, but with the intention of destroying it. From his point of view he was on fairly sound ground when he made that observation. The immediate result will be—whatever a few short weeks may bring forth—to delay the further consideration of the measure. But I cannot understand the position of Ministers and others who last session told the people that this Bill would bring peace and prosperity upon the land, and that righteousness would flow from it. If they really believed that, why have they excluded from its operation a very large section of the community? The Prime Minister should remember the words of Isaiah—

The way of righteousness shall be peace, and the effect of righteousness shall be quietness and assurance all our days.

Mr. MAUGER.—The honorable and learned member is inaccurate in his quotation.

Mr. DEAKIN.—He has assurance, but not quietness.

Mr. CONROY.—The honorable member for Melbourne Ports has, on two previous occasions, challenged my quotations; but I have had the pleasure of showing him that there were marginal readings with which he was not acquainted. If the Prime Minister had thought that there was a possibility of quietness and assurance for his Government, he would probably have taken a different attitude. The Ministry, however, find the situation intolerable, and consider that there should be a re-shuffling of the cards. No doubt it is time that this legislation by three parties, with Ministerial control divorced from responsibility,

came to an end. We have had too much of it. The members of the third party number only twenty-three out of a House of seventy-five, though possibly a few other honorable members may be in sympathy with them in regard to certain lines of their policy. They certainly deserve credit for having a platform and sticking to it. Personally, I believe that the carrying into effect of their views would, to a great extent, injure the class which they profess to represent more thoroughly than do members like myself.

Mr. POYNTON.—Ought not the electors to be the best judges on that point?

Mr. CONROY.—Not always. The electors have not always time to study political questions, and so many of them, like sensible persons, try to get the advice of the wisest man available. No doubt the honorable member thinks he has wisdom, but if he were involved in a law suit, he would engage a member of the legal profession, and take his opinion rather than rely upon himself; or, if he were ill, he would consult a doctor, and take his advice rather than follow his own inclinations. Thus many electors leave these questions to those whom they choose for their wisdom and capacity.

Mr. FOWLER.—That is evidently what the electors of Werriwa did.

Mr. CONROY.—At all events, the opinion of the electors of Werriwa, as expressed by the very large majority of votes cast on my behalf, was extremely satisfactory to me.

Mr. McDONALD.—The honorable and learned member is sound on one policy, at all events.

Mr. CONROY.—I will stand by my policy throughout. I do not think members of Parliament should meddle and interfere in everything. A parliament is not the epitome of human wisdom, and the more we leave men to manage their own affairs the better. We cannot by any legislative act add to the wealth of the country, although we are continually passing laws to dispose of it.

Mr. MAUGER.—Why are we here, if not to pass laws?

Mr. CONROY.—Not to pass laws for plundering those who are engaged in creating wealth. It is our business rather to sweep away the barriers which prevent men from having equal opportunities. Not even the honorable member would say that all men are equal. I could test that by asking him if he knows any one more stupid,

shall I say, than himself. If he answered "No," his opinion would be worth nothing, while if he answered "Yes," that would dispose of his boast of equality. The honorable member for Gwydir appeared greatly grieved because certain members of the Opposition intend to vote for the amendment. He spoke of the degradation of those members doing—what? Voting with the Labour Party.

Mr. SPENCE.—But actuated by very different motives.

Mr. CONROY.—Then I presume that when a thief takes something to benefit himself—but I shall not pursue the analogy further. The honorable member for Gwydir said that he believes that the Prime Minister is right in saying that the amendment is unconstitutional and inexpedient. What then is the honorable member's motive for voting for it? Has there been any influence at work with him? Has a caucus been held? Is his vote controlled by the decision of the majority, so that he cannot give effect to his opinions? If so, he should not question the motives of other honorable members.

Mr. LONSDALE.—We of the Opposition Party are all free to take our own courses.

Mr. O'MALLEY.—So is the honorable member for Gwydir on this very question.

Mr. CONROY.—Let me remind the honorable member for Gwydir that a very large number of the members of the Opposition differ from the other members of the party upon this subject. Many of us treat the measure as one brought forward by a Government in which we have no confidence, and which we do not intend to support. It is not competent for Parliament to determine whether the amendment is or is not constitutional, and the arguments which we have heard upon that subject are beside the question. It seems to me to be perfectly plain that those honorable members who have been in opposition to the Government for so long must vote in such a way as to bring about a re-shuffling of the cards. We must vote with the honorable and learned member for Corio, and the honorable member for Melbourne Ports; because just as the Government has lost their confidence, so also has it lost ours. We are uniting on one common ground in expressing our want of confidence in the Ministry.

Mr. MAUGER.—If this is a no-confidence motion, why is the leader of the Opposition voting with the Government?

Mr. CONROY.—If the honorable member refers to the right honorable member for East Sydney, I reply that he is quite competent to take care of himself, and to explain any votes which he may give. I am only showing that as far as some of us are concerned we look at the matter in the way I have explained. There are other members of the Opposition who do not regard the matter in the same light, although they regard the amendment as tending in the direction of a want of confidence motion. But before the situation reached its present acute stage they had pledged themselves to vote with the Government, and they consider that they must remain where they are. I trust that the result of the vote will be that whatever party may come into power they will have a firm determination to announce their policy and to stand by it.

Mr. PAGE.—How does the honorable and learned member know that the Government are going to be ousted?

Mr. CONROY.—Well, if the present Ministry remain in office I shall not expect to see another exhibition of courage from them. It has taken them three and a half years to get up this spurt of courage, and goodness knows how long it would take them to get up another. They have had such a fright that they certainly do not desire to see any repetition of the present state of things. If the third party is to come into office, let them exercise their opportunity as well as they can. They will receive a great deal of consideration from many honorable members, and if they stick to their platform in office as firmly and decidedly as they have stuck to it out of office, so much the better for constitutional government in the Parliament and for Australia.

Mr. HIGGINS (Northern Melbourne).—I spoke on the motion for the second reading of this Bill, and gave my views on the proposal involved in the amendment under consideration. I should not have risen now except that this is my only opportunity of dealing with some animadversions of the Prime Minister on my speech. I may say, in the first place, that within my experience this is the most good-humoured political crisis I have ever known. I think we recognise that that is owing very much to the urbanity and courtesy of the Prime Minister. But there is another reason which, if possible, goes even more deeply as a cause, and that is, that it is recognised that, whatever faults those who support the amendment may have,

they are not engaged in a vulgar grab for office, as has been the case in so many of the crises one has known in the States Parliaments. It is to the credit of the Parliament of Australia that the first crisis of this kind has been marked by such excellent temper. There is not a vulgar grab for office, and there is not an attack upon the Government. Expressions have been used by the last speaker which I regret. The honorable and learned member will do himself more justice if he recognises that this is not a vote of want of confidence. What has happened is that the Government wish certain words which have been inserted in the Bill to be carried. The principle of the Bill has been affirmed on its second reading. A certain compact body in the Committee says—"We do not desire to have these words in the Bill." They adopt that attitude and are acting in accordance with their well-thought-out views, whether they be right or wrong. The Government then says—"We will resign, and throw up the reins of office, unless those words are retained." When we consider that one of the principal reasons which the Government has for opposing the amendment is that if it be carried it will be nugatory, what on earth ground have they for resigning? Surely there never was a crisis and a displacement of a Government for such a little reason as this. If the provision will be nugatory if carried, why not have it tested? It will also be noticed that the Prime Minister has not—and very advisedly has not—said that he disapproves on principle of giving the Arbitration Court power to deal with public servants. He has put it merely that he doubts whether there is power, and secondly that it is inexpedient at the present stage. I do blame the Government for taking this attitude. Constitutionally a Government ought not to resign even if it does not carry its Acts exactly in the form in which it wants them, provided it can, in its opinion, decently carry on the King's Government. Our constitutional position in Parliament will become ridiculous if, under such circumstances as these, where there is a popular Prime Minister, a Government which enjoys the general confidence of the House resigns for the mere reason that it wants to get a certain clause put into a Bill after the second reading of that Bill has been agreed to, and to reject an amendment which, if carried, will be nugatory. I think the Prime Minister will recognise that I have given an honest and independent support to the Government. I

do not want the Government to be turned out. No matter what Government takes office they will be hemmed in by the banks of fate and necessity. Under our system of responsible government they will have to go in a certain course and with certain currents. This present Government would do the work as well as any that could be chosen from this Parliament. With regard to myself, however, the position is that the Prime Minister has flung at me a word which I do not like. Notwithstanding all his courtesy, he has called me—using a big word—a "unificationist."

Mr. DEAKIN.—It is not a good word, I admit.

Mr. HIGGINS.—It is a barbarous word, and the use of it is a barbarous unkindness to me. There are two ways of arguing. One is to attack the argument; the other is to attack the arguer. I cannot find in the speech of the Prime Minister, which I have read with care, any attack upon my arguments, but merely an attack upon the poor arguer, showing that he is not a fit man to present such an argument to the Committee.

Mr. DEAKIN.—Oh, no.

Mr. HIGGINS.—I think the Prime Minister has attempted to prejudice the arguments of those who are against him on this issue by making out that they are not loyal to the Federal system. I deny that. It is quite true that, throughout the Convention and afterwards, I insisted that the people of Australia were capable of a far greater degree of unity than was given to them under the Constitution.

Mr. DEAKIN.—That is all that I intended to convey.

Mr. HIGGINS.—The word "unificationist" would imply that I wanted to get all the legislative power of the Commonwealth in the hands of the Federal Parliament. I have never taken up that position. I say, let us obey the Constitution; let the Federation keep to its powers, and let the States retain their powers. If it should turn out that it is not within our province to do as we desire, we can loyally submit.

Mr. G. B. EDWARDS.—Let the High Court decide.

Mr. HIGGINS.—Yes. The matter could be disposed of very easily. The Prime Minister refers to that section of the Constitution which provides that the powers of the States, so far as they are not expressly transferred to the Federation, shall be reserved to the States. The point, however, is that no State had power to deal with quarrels extending beyond its own

borders. Another statement of the Prime Minister was that I had expressed contempt for the decisions of the American Judges.

Mr. DEAKIN.—That is, as applied to our Constitution.

Mr. HIGGINS.—I do not think that the matter was so put by the Prime Minister. It is very easy to make a correction now. The impression conveyed by the Prime Minister was that, from my humble position, I had expressed contempt for the great series of decisions of the American Judges.

Mr. DEAKIN.—I did not intend to convey that.

Mr. HIGGINS.—The effect of the Minister's remarks was as I have stated. I think that the decisions of the American Judges, which are useful and valuable, have often been the decisions of statesmen rather than of lawyers. I do not wish to undervalue lawyers under present circumstances, but I do not see where the contempt lies if I say that the decisions of American Judges have sometimes ignored the distinction between the position of lawyers and that of statesmen. What a tremendous expansion these decisions have given to the trade and commerce sections of the United States Constitution, under which the Federation has power simply to regulate trade and commerce. What have the Federal authorities done? They have taken under their control all navigation, even that upon the Hudson River, which passes through the State of New York alone. They have also taken over the control of immigration and transportation of all kinds; they have created an Inter-State Commission, and so on. The Constitution contains no provision to enable them to deal with these matters. I should like to know what members of the Convention of 1779 thought that such powers could be exercised under the Constitution. A number of honorable members appear to forget that if they want to take jam, they must sometimes also take the pill that is in the jam. That is what the Minister for Home Affairs, the only representative of Western Australia, seems to forget. Sometimes, when you are willing to swallow a certain clause, you forget that there may be certain concealed powers which will come to light in the course of time. Let me cite, for instance, the tremendous expansion given to the sections of the American Constitution in connexion with banking. From the mere power to levy taxation and borrow money the

Supreme Court of the United States have inferred the power to create a national bank—a bank of issue. Take the greenback case, in which the most extraordinary series of judicial decisions were given. First, the Supreme Court decided that no power to issue paper money was conferred upon the Federal Government by the Constitution. Afterwards, the Bench was carefully packed, and the question was again submitted to the Court, which decided that paper money could be issued under the exercise of the war power in 1865. In 1884, when the war was over, and there was no excuse for issuing greenbacks, and no excuse for saying that the right of issue was in any way dependent on the war power, the Court decided that the issue of greenbacks was justified, by virtue of the power to borrow money conferred by the Constitution. I think that I am justified in saying that I have not expressed contempt for the American decisions, in alleging that the great Court of the United States—one of the greatest in the world—has diverged from the strict duty of legal interpretation and application, and has taken upon itself the wider duty of legislation. I stated that the Court had declared what the Constitution ought to contain, rather than what it did contain.

Mr. G. B. EDWARDS.—The safety of the Constitution was secured by that means.

Mr. HIGGINS.—The honorable member is quite right. The Constitution was strained to breaking point in the "sixties," and it would have reached that stage at an earlier period if the decisions of the Court had not amplified the Constitution. Now, to revert to my duty. The proposal of the Government is to leave the States railway servants in possession of the power to strike, whilst taking it away from other employés. If honorable members will look at clause 6, they will see that it is provided that—

No person or organization shall, on account of any industrial dispute, do anything in the nature of a lock-out or strike, or continue any lock-out or strike. Penalty: £1,000.

By the definition of "industrial dispute," railway servants are excepted from the operation of the Bill, and, therefore, they will not be deprived of the power to strike.

Mr. DUGALD THOMSON.—Under a similar law in New South Wales, workmen still have the power to strike.

Mr. HIGGINS.—I am speaking of the Government proposal.

Mr. LONSDALE.—If workmen do not form themselves into industrial organizations, they still have the power to strike in New South Wales.

Mr. HIGGINS.—I submit that the proposal of the Government is to make it penal for any employes, except those in the Public Service and the Railway Service, to strike. Therefore, the employes on the railways will still have the power to strike. Looking abroad, and considering the extent to which industries have been placed under State control, and the tendency—whether it be right or wrong—to extend such control, I must say that if the great number of employes in the Public Services of the States are to be exempted from the operation of the Bill, the Arbitration Court will be maimed, crippled and deformed, and be rendered to a large extent useless. I have been to Broken Hill, and I am sure that the honorable member for Barrier will bear me out when I say that there is a fence along the border between South Australia and New South Wales. I have seen there a private railway running from Broken Hill to the New South Wales border, and a public railway running from the border through South Australian territory to Adelaide. Now there was recently a great drought in the Barrier district, and water for domestic purposes had to be conveyed in tanks from the sea coast over the public railway to the New South Wales border, and thence by means of the Silverton tramway—a private line—to Broken Hill. Suppose that during a time of drought a strike occurred among the railway employes on both the public and private lines. Under the Bill, as proposed by the Government, the Arbitration Court would be powerless to interfere in the dispute between the South Australian Government and its railway servants, because their jurisdiction would be limited to the dispute between the Silverton Tramway Co. and its employes. I submit, therefore, that when applied to a case of that sort, the power proposed to be conferred to compel peace, by the application of the law of reason, becomes mutilated. Where could there be peace, and whence could the people of Broken Hill obtain their supplies of water if the Arbitration Court had not a full power of control in such a case?

Mr. CONROY.—Are not some things much worse than strikes, as, for example, the condition of a body of men who cannot strike—who are mere niggers and slaves?

Mr. HIGGINS.—I contend that the Constitution does not draw a line of demarcation between Messrs. Cobb and Co. and Mr. Tait—between the proprietors of coaches and the Chief Railway Commissioner. The true line of demarcation must be drawn between those troubles which arise in the course of a definite industry, and those which do not. Let us imagine—as is quite possible—that one State of the Commonwealth embarked upon the tobacco industry, and that the other five States did not. Let us further suppose that trouble arose with the employes engaged in that industry in the different States. How could we deal with five States, hampering the private employers in them, without at the same time controlling the State Government which carried on the industry? At the time of the Federal Convention there were plenty of State industries in existence. I understand that in Queensland the Government has given power to municipal bodies to engage in all sorts of enterprises, and it is very probable that these will be multiplied rather than diminished. How are we to preserve the “peace, order, and good government of the Commonwealth,” unless we are able to apply the powers of conciliation and arbitration to these industries as well as to others? I do not think that the Constitution was designed to favour State enterprises at the expense of private industries. That is what the Government really desire. They wish to bind the private employer, and to allow the State employer to go free. I think the result will be very curious if those honorable members who favour the establishment of State industries work against the interests of the State employer, whilst those who, like the Prime Minister, oppose this amendment, really assist those industries. In conferring this great power upon the Commonwealth Parliament I hold that the Convention meant it to be an effective power. But it cannot be effective unless we are able to control all who are engaged in industry, irrespective of whether they are in Government employ or not. The Prime Minister asserts that we are exchanging the substance for the shadow. I maintain that, to a large extent, we shall be giving up the substance for the shadow if we exclude from the operation of this Bill the biggest body of employes in Australia. A number of cant phrases have been used during the course of this debate. The honorable member for Darwin spoke well as to the absurd way in which it has been attempted to apply the principle of State rights, because

the Crown is not expressly named in the sub-section of the Constitution relating to conciliation and arbitration in the case of industrial disputes, we have no power to deal with the public servants of the States, what will happen as regards any quarantine legislation which we may enact? Under the Constitution we have power to make laws concerning the matter of quarantine. But no mention is made in sub-section ix. of State officers or State ships. Let us suppose that an outbreak of small-pox occurred amongst either the passengers or crew of the *Lady Loch*, or some other vessel belonging to a State Government. What would be the position if the Prime Minister's contention were right? When the ship entered Port Phillip Heads she would be boarded, and the medical officer would order her into quarantine. The officers on board could then say—"Oh, no; we are the servants of the State; why should we be placed in quarantine?" Yet, according to the Prime Minister's exposition of the law, in no sub-section of section 51 of the Constitution is the State or its officers included, unless they are expressly named.

Mr. DEAKIN.—I said that the State or State officers must be named, but not State citizens.

Mr. HIGGINS.—Does the Prime Minister mean to say that there is no power under our Constitution to deal with a case such as I have mentioned? Of course, I have carried the matter to a *reductio ad absurdum*. If a specific reference to a State or the State power is necessary in each of the sub-sections of section 51, it follows that there must also be a specific reference in regard to the question of quarantine.

Mr. DEAKIN.—But the Government officers upon a ship would not contract small-pox as State officials, but as individuals.

Mr. HIGGINS.—Then, again, we have power to make laws in regard to currency and legal tender. But are we to assume because no mention is made of the King, or the King's change, that if a person gives me a bad sixpence I cannot proceed against him? If that view is correct, where are we to draw the line? It is the merest pedantry to attempt to hamper us in regard to this proposal. If we believe in it, let us try it. No harm can result from that. If we do not believe in it, let us say so. Throughout the whole of the Constitution there is a strong indication of a desire to include almost every matter with which a Parliament can deal, and, where anything

is not included, to make a specific exception in its favour. For example, covering section 5 says—

The laws of the Commonwealth shall be in force on all British ships, the Queen's ships of war excepted.

If, in the absence of the concluding words of that provision, it was intended that ships of war should be exempted from its operation where was the need for this specific exception? Personally I think that the most interesting contribution to the present debate was the speech of the Minister for Home Affairs. It came with a breezy freshness from the West upon our sultry discussion. Whilst listening to the right honorable gentleman I was irresistibly reminded of the old saying, "When he gets the kettle in hand he soon makes the water boil." The right honorable gentleman harped very much upon the intention of the framers of the Constitution. But, as has since been pointed out, the opinions which he entertained at the Federal Convention are of no importance now. What he assisted to place in our Constitution, however, is important. He helped with his team to swell the majority which we had in support of the clause, and we now intend to exercise our powers under it, so far as it may be advantageous to the people of the Commonwealth to do so. In this Bill we are taking the power to deal with widespread struggles in the case of shearers, seamen, and others which threaten society at its very base. We are also declaring that to strike shall be an actual offence. It seems to me, however, that in the opinion of the Government, if a difficulty arose in regard to the railway servants of the States, rendering it impossible for the public to travel by rail from place to place, or State to State, and for even the mails to be carried, we should be helpless—that no remedy would be open to us. If the Constitution were clearly against this amendment, I should willingly submit to the position taken up by the Government; but if it is not clear, and our power is challenged, we must assert that power, and leave the question of constitutionality to be determined in a peaceful way. We ought not at the first show of fight against our powers to surrender what we believe to be a right that has been placed in our hands. The system of Conciliation and Arbitration has come to stay and to be developed. It has, perhaps, extended further in Australasia than it has in

other countries, but the fact remains that it is spreading in other lands. In 1900 a Bill was passed in Canada to provide for conciliation and arbitration in ordinary disputes, and I find that on 10th July, 1903, a measure was passed in Canada to "aid in the settlement of Railway Labour Disputes."

Mr. DUGALD THOMSON.—By compulsory or voluntary arbitration?

Mr. HIGGINS.—The arbitration is to be compulsory upon the signature of the Minister. Resort is to be had in the first instance to conciliation, but section 5 provides that—

In case the Conciliation Committee is unable to effect an amicable settlement by conciliation or mediation, the Minister may refer the difference to arbitration under the provisions of this Act.

The resort to arbitration rests on the will of the Minister, and not on the will of the contending parties. There are words in the recital of the Act which appear to me to be pregnant and applicable to Australia. The recital sets forth that—

Whereas from time to time differences may arise between railway companies and their employés which the parties thereto failing to adjust, may result in lock-outs and strikes; and whereas railway lock-outs and strikes may interfere with the proper and efficient transportation of mails, passengers, and freight, interrupt the trade and commerce of the country, cause railways to fall into disrepair, to the danger of the lives of passengers and employés, and in various other ways occasion serious injury both public and private; and whereas it is desirable to aid in the settlement of such differences. Therefore His Majesty—

enacts, and so forth. These are the very difficulties that we have to fear in Australia. Every civilized country is dealing with this problem; but the principal reason for the contention that the provision in the Constitution does not apply to States servants relates, forsooth, to some old maxim that the Crown is not to be bound except by express words. It is a grave mistake to assume that that maxim applies to the powers given by our Constitution. The old maxim was that if a statute interfered with property or rights, the Crown was not to be bound except by express words. But this is not a case in which it is proposed to interfere with the property, or to curtail the rights, of the Crown. It is rather a case in which it is sought to extend the rights of the Crown—to give the King power, with the assent of two new Houses of Parliament, to make laws having a range that prior to Federation was impos-

sible. The whole theory of the Federal scheme is that the King was unable, with the consent of the individual States, to effectively make laws for Australia as a whole. Under the Constitution of the Commonwealth that disability has been removed, and thus the question with which we are confronted is not one relating to the binding of the King. It is rather a question of whether he should be enabled to bind others. The amendment, if carried, will be of advantage to the King, who is charged with the custody and peace of this country, in carrying out his great responsibilities and great aims. It will be an advantage to him to possess this means of preventing those sad industrial strikes which appertain to his own servants as well as to others.

Mr. G. B. EDWARDS.—We are seeking only to preserve the King's peace.

Mr. HIGGINS.—Exactly. I find that the principle in regard to the Crown not being bound except by express words has been applied in the United States, save that in place of the word "Crown" the word "Government" is used. In Black's *Interpretation of Laws*, English authorities are quoted, and it is set forth that—

It is probably more accurate to say that the Crown is not excluded from the operation of a statute where neither its prerogative rights nor property are in question.

The position is different if the statute is for the benefit of the Crown. Black points out that—

It must also be observed that, although the State is not to be bound without express words or necessary implication, the same reasons do not apply when the question is as to the right of the State to take the benefit of a new law not expressly made for its advantage. Here the presumption is rather the other way; and the Courts incline to give the Government the benefit of new rights and remedies wherever applicable. When general rights are declared, or remedies given by statute, the Government is generally to be included, though not named.

I think that all this pedantry—and I cannot refrain from so describing it—about the Crown not being bound except by express words may be safely ignored by the Committee. I would not venture to speak positively on these questions in view of the fact that there are others at least equally as competent as I am to express an opinion, who hold a different view. At the same time, I would say that I have listened very carefully to the debate, and that any doubts which I had when I first addressed myself to this question have been much lessened by what I have heard. It is remarkable that the opposition to this proposal is based

on so many different grounds. We had the honorable member for Bendigo stating, I believe, that he approved of the application of this principle to State servants, but that he was bound under the Constitution not to agree to its extension to them. The honorable and learned member for Indi informed us that he had not made up his mind on the question of law, but that if we had the power he would disapprove of applying it. Then the honorable and learned member for Corinella informed the Committee that he had not considered the question of the advisableness of extending the Bill to the public servants, but he conceived that, as a matter of law, we had not the power to do that. The Prime Minister has not denied that he approves of the extension of the principle, if it be lawful to do so; but he says that it is not expedient in the present circumstances to apply it to the States' servants. We have, therefore, opposition to this amendment on various grounds. I hope that those who vote for the amendment will be united not only in regard to the question of law, of which after all we are only second-rate judges, but as to the expediency of applying this principle to the great Public Services of Australia.

Sir WILLIAM LYNE (Hume—Minister for Trade and Customs).—I do not think I should have occupied the time of the Chamber at this late stage of the debate had it not—

Mr. JOSEPH COOK.—It is a last dying speech.

Sir WILLIAM LYNE.—It is not a "last dying speech," as the honorable member will find before I have done. I should not have addressed the Committee had it not been that my name has been used very freely, not only in the press, but also on many occasions in this chamber, especially by my, I shall not say erratic, but funny friend, the leader of the Opposition. Under the circumstances, I think I am justified, even at this late hour, in saying a word or two on the question which has brought about this crisis.

Mr. G. B. EDWARDS.—The leader of the Opposition can stand all that the Minister for Trade and Customs can say.

Sir WILLIAM LYNE.—The leader of the Opposition has not, so far, been able to stand what I say, because he generally runs away. I was glad to hear the honorable and learned member for Northern Melbourne, who intends to vote for the amendment, state that the amendment before

us is not to be considered as a motion of censure on the Government. I am sure that, with one or two exceptions, there is scarcely an honorable member who does so regard the amendment. It in no way expresses any want of confidence in the past administration, works, and acts of the Government. I venture to think that the work done under the leadership of Sir Edmund Barton, and continued under the leadership of the honorable and learned member for Ballarat, is unparalleled in quantity and in quality. It must not be forgotten that great work is necessary in the inauguration of a Commonwealth. The task of a Government is very different when dealing with the ordinary measures and routine work initiated and carried on in the various States ever since the granting of their Constitutions. Under an entirely new Constitution a Ministry has a gigantic task, which requires more consideration and greater energy than many honorable members, and many people outside, who are apt to take exception to the administration of the Federal Government, have the slightest idea of. I think I am safe in saying that, at the present moment, one of the members of the first Ministry lies in a very serious state in consequence of overwork during the first two sessions; indeed, the breakdown of several other Ministers was almost caused. The measures which are now on the statute-book of the Commonwealth reflect the greatest credit on the Government. It may be that every clause of these measures is not in accord with the opinions of honorable members opposite, or of other honorable members in the chamber. We know perfectly well that the Tariff Act does not meet with the approval of the Opposition, but the Government were sent to do a certain work for the people of Australia, and in spite of attacks and deliberate "stonewalling" on the part of honorable members opposite—

Mr. REID.—This is a vicious attack.

Mr. JOSEPH COOK.—I rise to a point of order. I should not take my present objection but for the line of argument that the Minister for Trade and Customs is adopting. I submit that the honorable gentleman is not in order in debating the whole past history of the Government, but must be kept strictly to the amendment before the Committee.

The CHAIRMAN.—I am waiting to see how the Minister for Trade and Customs proposes to connect his remarks with the question before the Chair.

Sir WILLIAM LYNE.—There is not much difficulty in showing the connexion; indeed, it is already shown. The honorable member who addressed the House before the honorable and learned member for Northern Melbourne, made an attack on the Government in relation to their past work, and stated that the amendment before the Committee amounted to a motion of want of confidence. I am endeavouring to show that that statement is not altogether in accordance with fact. If, however, the question before the Chair is to be considered as a motion of censure, we know—and this only shows how erroneous was the view of the honorable member—that under such a motion almost any event in the history of a Government for years past may be discussed. In my opinion, this crisis has arisen at a time when, putting myself out of the question altogether, but considering the present position of measures before Parliament, it was not expected nor desired, either by a majority of the members of this Chamber, or a majority of the people of Australia.

Mr. REID.—This is a vicious attack!

Sir WILLIAM LYNE.—I am satisfied that almost every member of the party which has chosen to submit this amendment is in favour of the programme of the present Government; and how that party can take its present course at this juncture it is difficult to conceive.

Mr. REID.—It arises from bad management.

Sir WILLIAM LYNE.—On the part of the Opposition. It has to be admitted that the situation is very acute at present, and honorable members may cast their minds back for a few moments in order to ascertain what has been the cause of the party, known as the Labour Party, taking such a concrete stand on an amendment of the kind. I know some honorable members may differ from me, but I believe the origin of all this trouble was the taking away of part of the franchise from the public servants of Victoria. When that step was taken I said that for any act of the kind, whether by a Federal Government or by a State Government, a time of retribution was sure to come. I should like honorable members who approve of the action then taken by the Victorian Government to place themselves in the position of the public servants who lost a portion of their franchise, and who are deprived of rights and powers enjoyed by other men with whom they may at times be working side by side. I

feel satisfied that that step on the part of the Victorian Government brought about the unfortunate railway strike—a strike which must be regretted and denounced by every member of the community, no matter what his feeling may be in regard to the origin of the trouble. I will not say that strikes are necessary, but strikes do take place occasionally in the case of private companies, private individuals, and private firms. There is no justification, however, for any set of men to at any time strike against a Government in whose services they are.

Mr. PAGE.—What else were the men to do?

Mr. REID.—What these fellows are doing now.

Sir WILLIAM LYNE.—I do not address the members of the Labour Party as “these fellows.”

Mr. REID.—I did not mean the words offensively.

Sir WILLIAM LYNE.—The railway men of Victoria should, I think, have restrained themselves until an opportunity was afforded to redress their grievances at the ballot-box. A strike against the Government could not be tolerated in any community.

Mr. RONALD.—The Parliament took away their votes.

Sir WILLIAM LYNE.—They took away a portion of their franchise, as I have said. I think it will be admitted that I have dealt with that matter fairly, and I have only stated what has been in my mind on the subject. I desire to say that in my opinion the action of the State Parliament of Victoria is, in the first instance, to be credited with having brought about the present condition of things in this Parliament.

Mr. WILKS.—Then it is a Victorian storm.

Sir WILLIAM LYNE.—Yes; but unfortunately the Victorian storm has extended beyond Victoria. It has extended to the honorable member's electorate, to other parts of New South Wales, and elsewhere. I also think that, considering the action of the past and present Prime Ministers, and of the Federal Government, in regard to the Labour Party, during the existence of this Parliament, the members of that party are not returning much for the consideration which has been shown them by the Government. In saying that, I feel that I am entitled to speak with perhaps more authority than are some other persons.

Mr. REID.—Hear, hear. No man has worked harder for them.

Sir WILLIAM LYNE.—Whenever I have worked for any section, or for any persons, I have always done the best I could for them. I have not said, "I am going to do this and that," and yet have never done it, hanging on by the eye-brows to promises for four or five years. I have endeavoured to describe the position of affairs. Many have said that it is intolerable that there should be three parties in this House, and it is certain that there must be some give and take between the two parties, who are working together, if the position is not to become altogether intolerable. I would remind honorable members that this measure has not been hung up for two or three months. It has been submitted honestly by the Prime Minister at the earliest possible date. No one can accuse the honorable and learned gentleman at the head of the Government of wishing to retain office, because he knew that if he was determined that this matter should be brought to an issue, it was possible that he would be defeated upon it. With the exception, perhaps, of the honorable and learned member for Werriwa, every honorable member acknowledges that this Conciliation and Arbitration Bill is a good measure. And when this amendment is attempted to be driven like a wedge into the Bill, which is considered to be so good in every other respect, it seems to me that certain persons have almost taken leave of their senses, because the result will probably be that they will destroy the whole fabric they have wished to build up. Knowing that it was likely that insistence upon an amendment, such as this, would have the effect of destroying the whole Bill, would it not have been wiser on the part of those who are anxious to see a Conciliation and Arbitration Bill passed to have refrained from submitting it? I can claim that I am most anxious to have a Conciliation and Arbitration Bill passed. This is not the first Bill of the kind I have had to deal with. In the State of New South Wales this legislation was initiated by myself. As the head of the State Government I first agreed to my Attorney-General taking action in this direction, and such a measure is now the law in New South Wales. But to place the railway servants and the public servants generally under a State Conciliation and Arbitration Act, as has been done in New South Wales, is very different from placing

them under an Act administered by the Federal Government, because they are dealt with, considered, and paid by the State. I should have no objection if this were a parallel case. We have, for instance, to deal with the military and naval forces of the Commonwealth, and with officers of the Federal Public Service in every part of the continent, and we have power to deal with them in a Federal Bill, because we control them, and vote the money required to pay them.

Mr. KELLY.—Would the honorable gentleman put the Military under the Conciliation and Arbitration Act?

Sir WILLIAM LYNE.—No; I am not saying that I would. I am merely pointing out that the Federal Parliament votes the money for the Military Forces, and that the tendency in the future must be to equalize the pay of public servants throughout the whole of Australia, whether in the railway, or military, or general public services. What happened the other day in Tasmania when the Minister for Defence and the General Officer Commanding the Military Forces of the Commonwealth were there? Because there had not been an assimilation of the pay to members of the Military Force in all the States of the Commonwealth many of the men who were in the force in Tasmania are now out of it. When I had the privilege of acting for the Minister for Home Affairs I found that there was a great outcry in South Australia because the public servants were not being paid at the same rate as in other parts of the Commonwealth. The Public Service Commissioner of the Commonwealth is at present endeavouring to grade the service on one principle, and, I say, the time must come when persons employed in the railway services will have to be graded in very much the same way. But as things are at present I think it is the States that should deal with the matter, and not the Federal Government. If it were constitutional, I should have no objection, personally, to the railway servants coming under the Federal Conciliation and Arbitration Act. But, despite the arguments used by our leading lawyers, who have been about equally divided in this matter, I, as a layman, still feel that it is unconstitutional to bring railway servants or States public servants under the control of the Federal Government in the way proposed. I feel that I am justified in voting against the amendment for two reasons: one because it is unconstitutional—and I have

not the least doubt on that point—and the other because I believe that the effect of carrying the amendment will be to destroy a measure in which I, at any rate, take a very great interest.

Mr. HIGGINS.—We may use the Federal Military Forces to shoot down strikers, but we may not use Federal policemen to keep the peace.

Sir WILLIAM LYNE.—The honorable and learned member is putting a very extreme case, indeed. I felt that, when arguing just now, he was submitting the most extreme cases on which he could lay his hands. I think there is a special provision in the Constitution dealing with the matter to which he has referred, because the Federal Government is empowered to preserve order throughout the Commonwealth.

Mr. HIGGINS.—Is it not inconsistent that we may secure the peace by shooting, and that we may not secure the peace by reasoning?

Sir WILLIAM LYNE.—In one case there would be no interference with the States rights, as the States would not come into the question, whilst in the other case States rights would be seriously interfered with. Every one who took any note of what was being done will know that I fought against the Commonwealth Bill when it was before the people in New South Wales. One reason for my opposition to it was that I thought that the equal representation given to the States in the Senate would not be conducive to the best interests of New South Wales. I was not against States rights, but the proposal as submitted was too drastic, and should have been tempered. Therefore, so far as I am concerned, I cannot be considered such an extremist upon the question of States rights as some others may be. Still, now that the Constitution is the law of the land, the Federal Parliament has no right whatever to step one foot beyond the border laid down in the Constitution to interfere with the rights of the States, and the States have no right to complain if the Federal Government do any act which is within the scope of the Federal power, and does not infringe State rights. I am one of those—and in this respect I differ a little from some of my colleagues—who believe that it is not wise to allow the States to feel to too great an extent that they can dictate to the Federal Government. My view is that the Federal Government, in reason and wisdom, should

deal with all their measures so long as they keep within their rights, without being dictated to by any State or States.

Mr. PAGE.—The High Court will make us do that.

Sir WILLIAM LYNE.—I regret very much that there is not in the Constitution a provision under which this question could be referred to the High Court, in the same way as measures have been referred to the Courts in other parts of the world. It is useless and unwise to discuss a matter as we have been doing if the provision, sought to be included in the Bill, would be unconstitutional and of no effect.

Mr. REID.—Then the fate of a Ministry might depend on a decision of the High Court.

Sir WILLIAM LYNE.—No doubt that has happened, and in more places than one.

Mr. REID.—That is very wrong; it ought not to be so.

Sir WILLIAM LYNE.—We learned from a cablegram in the press the other day that in Canada a completed Bill was considered by some legal authority—I suppose the Attorney-General—to be unconstitutional. What was done? The Bill was not taken into the Parliament to be discussed, but under their law it was referred to the Supreme Court to say whether it infringed State rights or not. The High Court is specially qualified to express an opinion on that point. It exists for the purpose of deciding whether State rights are being infringed or not.

Mr. HUGHES.—The High Court could only decide on a concrete case.

Sir WILLIAM LYNE.—In the case to which I referred a whole measure was submitted to the Supreme Court before it was submitted to the Parliament.

Mr. REID.—It could not be done here.

Sir WILLIAM LYNE.—I regret that in the Constitution there is no provision under which that could be done. In all the circumstances, I think it is scarcely fair to the Prime Minister that the Labour Party should have placed the Government in the position of having either to back down—which, after the statements he made, could not be done—or to go out of office.

Mr. WATSON.—There was a fair fight at the general elections. We appealed to the people, and they gave us a majority.

Sir WILLIAM LYNE.—I do not say that there was not an appeal to the people, but I submit that, in a great many places it was not a very strenuous appeal on this point.

Mr. WATSON.—It was so far as we were concerned.

Sir WILLIAM LYNE.—I know that in my electorate and that of my honorable friend, the question came up, but in a large number of the electorates throughout Australia it did not come up, and was not referred to.

Mr. TUDOR.—It came up in my electorate, and it was opposed by my opponent.

Sir WILLIAM LYNE.—I have no doubt that it did. I venture to think that if consulted their constituents would say to the honorable members for Bland and Yarra—"Bring up this question in some separate form if you wish it to be dealt with, so that you shall not crush out of existence a measure which is so greatly desired by the people all over Australia."

Mr. PAGE.—We will all have to answer for our conduct.

Sir WILLIAM LYNE.—I think that every honorable member has the right to take his own position, and I am only complaining of the want of a little cohesion or a little give and take between the Labour Party and the Government. When I heard my honorable colleague the Minister for Home Affairs lecturing the Labour Party on the caucus, I could not help thinking that many and many a time he has been in a caucus. I suppose that every party which has existed has been in a caucus. I know that I have.

Sir JOHN FORREST.—They can leave when they like.

Sir WILLIAM LYNE.—I dare say that they can, but they have to answer for their conduct. The only part of the constitution of the Labour Party of which I have felt that I could complain is that which causes its members, as I understand, to sign a bond.

Mr. FISHER.—Who told the honorable gentleman that?

Sir WILLIAM LYNE.—I do not remember, but I know that I have been informed that every member of the Labour Party has to sign a bond.

Mr. FISHER.—The honorable gentleman can tell the man who told him that that he is a liar.

Sir WILLIAM LYNE.—If I did he might hit me. I do not see that there is the slightest harm in caucusing. I do not think that any one could raise the smallest objection to it. The movement for this legislation dates from the time when the men in this State were partly deprived of

their franchise. I should not have referred to this matter had I not noticed that the Premier of Victoria in a speech made last night stated that I had approached him—and that is the only way in which his remark can be read—with a view to getting him to introduce a Conciliation and Arbitration Bill for Victoria. I feel that it was very unfair on his part to place the matter in that light before the public, because that is not the way in which the communication took place. I hold that if the Government of the State did what I conceive to be right they would introduce and carry through a Bill for that purpose. New South Wales, Western Australia, and South Australia have each a Conciliation and Arbitration Act, although it is not effective in the last-named State; and I understand that there is a prospect of Queensland getting a Conciliation and Arbitration Act. Under these circumstances, I think that Victoria should not stand out on an important question of this kind. If Victoria had such an Act on its statute-book there would be no necessity for dealing with this question here. The Premier of that State says that he is not going to allow its public servants to be interfered with by the Federal Government. I think that he is quite right in taking up that position, and I believe that he will have the law with him. If he would only take the opportunity of dealing with the State servants in a Conciliation and Arbitration Bill there would be no necessity for the Federal Government to interfere in the smallest degree, even if they have the right.

Mr. HIGGINS.—Will he give the State servants votes, too?

Sir WILLIAM LYNE.—That is the one act to which I take exception. I wish to give a short outline of the way in which this matter arose with the Premier of Victoria. The communication was made in confidence, but that confidence has been broken, and, therefore, I have a right to place my side of the story before the House. A statement was made to the effect that the harbors and rivers, with the beacons and buoys, were to be taken over by the Federal Government, and Mr. Bent communicated with the Prime Minister with a view to get particulars, and to learn what the statement meant. The Prime Minister referred the matter to me, with the result that Mr. Bent communicated with me. I could not meet him on that day, and he was coming to my office on the next day. I telephoned to him, and he said that he

would come over if I particularly wished it, but he asked me to go to his office, if it was not inconvenient, and I went over. The question which I went to discuss, and which we did discuss, was the question of what we intended to take over in regard to the harbors and rivers. After that question had been disposed of, and the matter of a sand pump dredge had been discussed, he asked me how the Government was getting on, and what was going to be the outcome of all the trouble. "Well," I said, "if you would only do what you should do—introduce a Conciliation and Arbitration Bill—I do not think that there would be any trouble." He picked up a paper, which was lying on the table, and he said—"Read that: That is my programme," and in that programme were the words "Conciliation and Arbitration, on the lines of New South Wales." That is how this matter came about.

Mr. McDONALD.—Has he announced that plank from the platform?

Mr. REID.—The honorable gentleman ought to have got it pushed through in time for this amendment.

Sir WILLIAM LYNE.—I asked Mr. Bent whether I could speak to the Prime Minister, and he said—"Yes, and I shall send my Attorney-General to him." But I do not think that his Attorney-General ever called. I did not go to the Premier of Victoria to ask him to introduce a Conciliation and Arbitration Bill, as the report of his speech in the *Argus* makes out.

He did not want to say anything about the Federal Government, because it was in the throes of a crisis. Some time ago, however, Sir William Lyne had asked him whether his Government would pass a Bill for Arbitration and Conciliation. He had referred Sir William to the Attorney-General, but apparently he had not seen him.

I have described exactly what took place, word for word, and act for act.

Mr. WILKS.—That is only a little yarn.

Sir WILLIAM LYNE.—I am sorry that it was put in that way, or that any thing was said about it. It was put as though I had gone and tried to get it done. I did not do anything of the kind. It came about exactly as I have stated. I telegraphed to the Premier of Victoria yesterday to know whether he was going to carry out this promise, or whether I could refer to it when speaking to-night, and I got the reply that his Government was not going to carry it out. That is the history of the matter. I wish to place myself right with honorable members. I hope that

the Premier of Victoria will not be annoyed because I have referred to the subject; but he had no right to refer to it. It was a sacred thing so far as I was concerned, and I did not mention it to a soul, with the exception of the Prime Minister, until he referred to it in his speech yesterday. Therefore, I do not think he can blame me for having put myself right before the people of Australia. The amendment will, I presume, be carried. The Minister for Home Affairs said last night that he had no official knowledge on the subject, though we must, I suppose, expect to receive such knowledge shortly. But how is the motion to be carried? When the Bill was introduced, the eloquent and able speech of the Prime Minister was replied to by the leader of the Opposition, who said that he intended to support the Government in connexion with the measure. Afterwards, in conversation with me as to the prospect of the measure being carried, the Prime Minister said—"Surely there will be no trouble in connexion with it, because the Opposition are going to support it." I replied—"Do you expect the leader of the Opposition to bring his party to support you? You do not know him so well as I do."

Mr. REID.—That is ungrateful. I have saved the Government twice.

Sir WILLIAM LYNE.—I said—"You mark my words, he will flutter along the surface——"

Mr. REID.—Eighteen-stone flutter!

Sir WILLIAM LYNE.—"But when the time comes, you will find that the rank and file of the Opposition will club together for the purpose of defeating the Government."

Mr. REID.—That was quite unusual, I suppose, when the honorable member was in Opposition?

Sir WILLIAM LYNE.—The leader of the Opposition tried to play the game of the spider with the fly. He thought that he would get the Prime Minister into his web, and probably has succeeded, so far as the amendment is concerned. I think, however, that he will never catch the honorable gentleman again, because he will be known too well after what has taken place on this occasion. What happened a short time afterwards, when the leader of the Opposition went to Sydney? He was interviewed by a reporter of the *Daily*

Telegraph, and, amongst other things, he said—because he knew I know him—

Sir William Lyne never thinks of that sort of thing. Fancy Sir William Lyne appealing to me to rally all my forces to keep good government going in his precious person.

After taking the Prime Minister to task for having believed that the words he used here were the words of a truthful politician, of one who could be relied upon, as a promise given by the leader of the Opposition to the leader of the Government—

Mr. REID.—Is the honorable member really sorry about this?

Sir WILLIAM LYNE.—I am not a bit sorry about it. Probably before many months are over the right honorable member will be more sorry than I am. I am only attempting to show the course which has been followed by him. Speaking of the members of his own party, he said—

If he judges in a different way from me, he will get no black looks from me.

That was a reference to the attitude of his followers on the front and second Opposition benches. Was not that an intimation to them that he was willing that they should drive the stiletto into the Government while he looked on? Was he not virtually saying to them—“I will technically do what I promised to do, but all the time I intend to prostitute the high position which a leader of an Opposition holds in every Parliament in the world”? In my humble estimation, there was never anything so degrading as the promise of the leader of the Opposition to help the Government in connexion with this measure, while driving his followers over to the Labour Party in order that they might destroy the Government.

Mr. LONSDALE.—He did not speak for his party.

Sir WILLIAM LYNE.—No doubt there are some members of the Opposition who will not consent to be driven.

Mr. REID.—What about the followers of the Government?

Mr. ROBINSON.—Are there no defections from the Ministerial ranks?

Sir WILLIAM LYNE.—I shall refer to them presently. We were not supposed to understand the right honorable member's attitude until three or four speeches had been delivered from the Opposition benches—speeches such as those of the honorable members for New England and Lang. What disreputable statements they put forward! They stated that they were against the principle of the amendment, but that they

intended to deliberately vote against their consciences, in order to defeat the Government, and to destroy this Bill.

Mr. LONSDALE.—Hear, hear.

Sir WILLIAM LYNE.—That is the sort of opposition which the Government has had to face all the time. It is not fair warfare; it is not straight-out, honest, honorable fighting. It is fighting from behind a hedge, from the shelter of a ditch, or from any other low place that honorable members can get into.

Mr. LONSDALE.—What does the honorable member know about honorable fighting? We know him of old. He should not harp upon that strain.

Sir WILLIAM LYNE.—The honorable member does me the honour to say that he knows me of old. I, too, know him of old.

Mr. LONSDALE.—And the honorable gentleman knows my private opinion of him.

Sir WILLIAM LYNE.—I do not care what the honorable member's private opinion of me may be. I have never had the pleasure of hearing it.

Mr. LONSDALE.—Yes, and in the honorable gentleman's private office. This man to talk of honour! I know him!

Sir WILLIAM LYNE.—When the honorable member has recovered from his flurry and excitement, I shall proceed. I hope that the ardent Opposition whip will restrain him. It is not wise for him to fly into such passions. I wish to draw the attention of the country to the dishonorable political tactics which have been adopted by the leader of the Opposition and his closest followers. But, although I have expressed indignation and surprise, I am surprised at being surprised, because I do not think any one can be surprised at anything done by the followers of the leader of the Opposition, after the tuition he has given them, and the example he has set them. That is the position of affairs. We are to have, not an honest, honorable vote, but a vote cast for a double purpose, such as the honorable member for New England has described. I will give my friends of the Labour Party credit for voting honestly. I believe that they firmly desire that the Bill shall become law; but I think that they are taking the wrong course. While they are acting honestly, those who sit on the left of the Chair are dishonestly assisting them. The motives of the Opposition stare us in the face. They are going to help the

Labour Party to defeat the Government and then try to destroy the Bill. If their action on this occasion is not a clear warning to those who are supporting the amendment, I do not give them credit for realizing the position.

Mr. JOSEPH COOK.—It is simply horrible!

Sir WILLIAM LYNE.—The honorable member, no doubt, thinks lightly of it. He is so ready to do anything of this kind which is not in accordance with the ordinary ideas of rectitude that I am not surprised at any jeering remark he may make. I do not intend to speak at great length, as I have no wish to detain the Committee. I could not, however, refrain from referring to these few matters. Honorable members opposite have alluded to some of the members who usually support the Government taking a different course on the present occasion.

Mr. LONSDALE.—They are, I suppose, "disreputable members."

Sir WILLIAM LYNE.—They are honest and straight. Honorable members opposite must not tell me that those who have sat so loyally behind the Government for three years would, unless they were quite convinced that it was their clear duty to do so, jeopardize the fate of a Ministry with which they have no quarrel. There would not be an attack made by them upon a Government which both the Labour Party and the usual Ministerial supporters desire to remain in office, unless those honorable members thought that a principle was at stake. They have assisted the Government in carrying through the Acts required by the Constitution, and I cannot be convinced that they are not acting honestly—every one of them—in voting the way they intend to vote. I believe that they would prefer to see those measures which are necessary to complete the machinery of the Constitution, carried out by the present Government, which, I venture to believe, the people consider to have done well during a very arduous and trying time.

Mr. REID (East Sydney).—I rise simply to say a very few words about the attack which the Minister for Trade and Customs has made upon me in reference to the matter before the Committee. The statements which he has made are quite at variance with the published records of this House. Of course we know that when the honorable gentleman is in those affecting situations in which his position is seriously threatened, he becomes more or less frantic.

I do not wish to reply to any attacks he has made, because he is so thoroughly well-known that it is unnecessary to do so. Unfortunately in Federal politics we have no roads and bridges to give to honorable members, and, therefore, the Minister for Trade and Customs is not in the position of influence which he occupied in New South Wales.

Sir WILLIAM LYNE.—I do not think that the honorable member has much influence here either.

Mr. REID.—I do not think I have, but I take my gruel in an agreeable fashion as a rule; and if the honorable gentleman would only do the same, he would resume that appearance of amiability which makes him look almost interesting. We are all anxious to bring this discussion to a conclusion, and I do not propose to do more than read the statement which I made to the House at the beginning of the present session in reference to this important matter. When I announced to the House that I intended to vote with the Prime Minister, I made the observations which I shall read, because I foresaw something of this sort, and I was careful to define my position exactly. I referred to the Prime Minister as speaking of this very amendment as one which the Government could not accept as it was an invasion of the constitutional rights of the States, and I said—

I think that he is right, and I suppose that I have a right to express my opinion at any time I choose.

Then there was an interjection to which I replied—

Yes. I have no hesitation in agreeing with the views which the Prime Minister entertains, and so far from my desiring to seize any advantage from him in his position of embarrassment upon this matter, he will have my support. Of course, since one lives in danger of all sorts of recriminations—

I had some prophetic instinct as to the exhibition to which we have been treated—

I wish it to be distinctly understood, in justice to some of my friends who voted in favour of the amendment to which I have referred, that I can in no way influence those who have given pledges to their constituents as to the way they shall vote. I hope that honorable members will understand that in that respect I speak only for myself. I leave honorable members on this side of the House to their own views, and especially to their own declarations to their constituents.

I do not think that any leader of a party, in announcing his intention to support a Government, could more clearly indicate than I did that the Government were to understand that I was simply giving to

them an assurance of my own individual support, and that I would not exercise any influence upon the gentlemen whom I have the honour to lead.

Mr. McDONALD (Kennedy).—At this late hour I should not have taken any part in the debate but for the fact that, following on the amendment moved by the honorable member for Wide Bay, there is to be another amendment, which last year was moved by myself, and with which my name was prominently associated. As I understand that it is the desire of the Committee to have the whole of the discussion upon this amendment, the second one can be moved immediately after the division, if the amendment now before the Chamber is negatived. But, from what I can gather, it is quite possible that the present amendment will be carried. Therefore it is just as well that I should say a word or two in case I may not have an opportunity at a later period. The debate has been only to a very small extent confined to the amendment. The discussion has developed into a general attack upon the Government. I regret that very much, because as a result it may happen that, out of the chaos which is likely to arise, there will not be a clear issue placed before the country in connexion with the defeat of the Government. For that reason it would have been much better if an attempt had been made to keep the debate well within the scope of the amendment. However, that has been departed from to a large extent, and has had the effect of prolonging the debate. I think the worst offenders have been the Minister for Home Affairs and the Minister for Trade and Customs. They wished to know why the Labour Party were so desirous that the amendment should be adopted. The reason is that we feel that a general railway strike throughout the States would be disastrous. We can well remember the dire effects of the maritime strike of 1890; but a general railway strike would be attended with even more lamentable results. The railway servants of Australia number, roughly speaking, 70,000, and I ask, what right have we to place the ban of exclusion upon this large number of men? The Minister for Trade and Customs has accused the Labour Party of wrecking a Bill that would confer benefit upon a very large and important section of the community, and he has instanced the cases of the maritime workers and the bush workers. I have for many years been intimately associated with the bush workers of

Australia, and I know of no nobler-hearted men than are to be found within their ranks. They are not bound down by conventions, as are the workers in the large centres of population, and they have acquired a strong spirit of independence during their wanderings from one end of Australia to the other in search of employment. They know well that the Bill now before us would confer great benefits upon them; but they would despise me as their representative if I showed a willingness to throw over 70,000 of their fellow-workmen in order to secure an advantage for them. Similar remarks would apply to the maritime workers. The Labour Party have been accused of unfairness towards the Government; but I contend that there has never been any alliance between our party and the Government, nor has there been any attempt on our part to dictate in any shape or form to the Government. I challenge any honorable member to cite one instance to the contrary. It is true that we have had certain well-known aims with regard to legislation. These have been put forward in our programme, by which we have always been prepared to stand or fall. As a matter of fact, the Government fought us most bitterly in regard to two matters which we regarded as vital, in connexion with the adoption of the colour line in the Immigration Restriction Act, and the contribution by the Commonwealth towards the cost of maintaining the Australian Auxiliary Squadron. In those instances the Government were saved by the Opposition. The leader of the Opposition stated at the time that it was only when his party were behind the Government that they were able to withstand us. We have just come from the country—from what may be almost regarded as a referendum, so far as the Bill is concerned. Almost every honorable member who was returned expressed himself in favour of conciliation and arbitration. In a few cases honorable members were not prepared to include public servants within the scope of the measure, but the great majority were in favour of bringing the States railway servants under the control of the Arbitration Court. It is useless for the Minister for Trade and Customs to tell us that the electors have not had an opportunity to consider the proposal now before us. Quite the contrary is the case. In each of three States the Labour Party were able to secure the return of three senators by an overwhelming majority, and so far as these States were

concerned, public opinion was clearly expressed in favour of bringing railway servants within the scope of the Bill. At the recent election for Melbourne one of the bitterest opponents of the proposal to bring States servants within the jurisdiction of the Arbitration Court was defeated by a labour candidate by over 800 votes. This result was achieved, despite the fact that the Melbourne electorate may be regarded as the fountain head of the opposition which has been expressed towards arbitration in any shape or form. Even Sir Malcolm McEacharn conceded that conciliation and arbitration was a good thing, with the one reservation that railway servants should not be brought within the scope of the Bill. I might also point to the fact that the Labour Party is the only one in this House which has come back from the country with a large accession of strength. We have increased our numbers by seven.

Mr. REID.—We came back as strong as ever—certainly not weaker.

Mr. McDONALD.—It does not matter where our increased numbers came from. The fact remains that the party which had declared itself in favour of bringing railway servants within the scope of the Bill has retained all its original members in this House, and has had an accession of strength in addition. In view of these circumstances, I am justified in stating that the verdict of the country has been clearly expressed in support of our policy. We have been told by the Minister for Trade and Customs that one of the principal objections to our party is the bond to which members have to subscribe, and by which they are bound to accept the decision of the caucus. This is probably the last time I shall speak on this particular point; and I say unreservedly that any member in this House, or any one outside, who continually makes that statement, makes it either through gross ignorance or wilful misrepresentation.

Mr. FISHER.—We shall hear it again and again.

Mr. McDONALD.—I suppose we shall; and it is just as well that somebody should state the exact position.

Mr. REID.—The honorable member might do so.

Mr. McDONALD.—So far as we are concerned, we are under no bond whatever. We are in a very different position from that of the Government and Government supporters. When we decide on a policy we

decide on it as a party, whereas in the case of the Government supporters, it is the Cabinet who decide, and the supporters become humble followers.

Mr. KELLY.—How often does the Labour Party meet?

Mr. McDONALD.—We meet as often as is necessary. If it is necessary to meet every day for the conduct of business we are patriotic enough to sacrifice our personal interest and convenience. I hope that every party in this Parliament, and every honorable member, will have sufficient interest in the politics of the country to do the same.

Mr. KELLY.—Are the members of the Labour Party bound by the decision of the meeting?

Mr. FISHER.—“Yes” and “no” is the answer to that question.

Mr. McDONALD.—I can tell the honorable member for Wentworth that on every plank in our platform the Labour Party are unanimous.

Sir JOHN FORREST.—They have to be.

Mr. McDONALD.—I said a little while ago—and I do not want to repeat the statement too often—that if the Minister for Trade and Customs repeats that allegation he does so either through gross ignorance or wilful misrepresentation.

Sir JOHN FORREST.—Can a member of the Labour Party go against a plank of the labour platform?

Mr. McDONALD.—We do not go against a plank of the Labour platform.

Sir JOHN FORREST.—Can members of the Labour Party do so?

Mr. TUDOR.—Can an honorable member go against his election pledges?

Sir JOHN FORREST.—I ask a question—can a member of the Labour Party go against a plank of the Labour platform?

Mr. McDONALD.—I am asked whether a member of the Labour Party can go against a plank of the Labour platform. I say that any man who comes into this House pledged to a platform, and then violates that pledge, is a discredit to the country, to himself, and to the House, and has no right here. I hope the time will never come when a member of the Labour Party will be so dishonorable to himself, his country, and his colleagues as to violate the pledges he has given on the platform.

Sir JOHN FORREST.—That is all I asked.

Mr. McDONALD.—I can quite understand the feelings of the Minister for Trade and Customs. If I were in his position, and likely to be turned out of office to-night, I should, no doubt, feel as he evidently

feels now; and I do not say that with any disrespect to the right honorable gentleman. Last night the right honorable gentleman went to some trouble in an endeavour to show that the Labour Party has been ungenerous and unfair, and I say that he had no right to assume such an attitude.

Sir JOHN FORREST.—I said that the Labour Party were ungenerous.

Mr. McDONALD.—Neither Sir Edmund Barton nor the present Prime Minister would give utterance to such a statement.

Sir JOHN FORREST.—That is nothing—I said so.

Mr. McDONALD.—No one has spoken in higher terms of the Labour Party than did the leader of the Opposition, when he was brought into contact with that party.

Mr. REID.—It was only just to the Labour Party.

Mr. McDONALD.—Sir Edmund Barton, and the honorable gentleman who now leads the Government, have spoken in similar terms; and it was ungenerous and unfair of the Minister for Home Affairs to make such a statement.

Sir JOHN FORREST.—I believed it, and I said it.

Mr. McDONALD.—I presume that when the Government introduced measures into this House, it was after due consideration and in the belief that they were in the best interests of the country. If the Government did not possess that belief—if I could bring my mind to think so—I could have very little respect for the members of the Government.

Sir JOHN FORREST.—The honorable member used that argument last night in an interjection.

Mr. McDONALD.—It was not I, but the honorable member for Wide Bay who made that interjection.

Sir JOHN FORREST.—I beg the honorable member's pardon.

Mr. McDONALD.—I do not want to keep the Committee long, but I must express my deep regret at the absence of the right honorable member for Adelaide, on account of illness, more especially at a crisis like this. We know that the right honorable gentleman has taken a keen interest in the measure; indeed, his whole life-long political career has practically been bound up in such legislation. Now, at the very time when difficulty has arisen, he is, to our deep regret, absent.

Mr. G. B. EDWARDS.—The right honorable member ought to have a "live" pair.

Mr. McDONALD.—It would be only graceful and honorable to take that course.

Mr. DEAKIN.—It has already been arranged to pair the right honorable member with one of my colleagues, who is present.

Mr. McDONALD.—In view of the fact that the Government may be defeated, I must take this opportunity to express my personal admiration for the courteous way in which, on all occasions, the leader of the Government has treated this House, and endeavoured to make the position of honorable members as comfortable as possible. I do not altogether agree with many points in the policy of the Government; for instance, I do not agree with their fiscal policy, as I have had to show on many occasions. In reference to the present Bill, while the Labour Party desire to have industrial disputes settled by reason instead of force, we are not prepared to make a sacrifice which means the exclusion of at least 70,000 workers from the provisions of the measure.

Mr. STORRER (Bass).—I regret exceedingly that the Government have taken their present action in regard to the Bill before the Committee. I quite agree with the measure, but it is the duty and right of the Committee to amend it as, in their wisdom, they think fit, and the Government should not, on such an occasion, adopt a "stand and deliver" attitude. I shall not detain the Committee at any great length. It is a pity that the position of the Government should depend on a question of interpretation, which gives rise to so much difficulty and doubt in the minds of, not only the lay members, but of the legal members of the House. It would have been better had the fate of the Ministry depended on a whole measure instead of merely on part of a measure. In view of the different legal opinions expressed, it is, in my opinion, a great mistake for lay members to consider the matter in its legal aspect. I find myself in the position of having to consider the measure for myself, apart altogether from legal opinions which have been expressed, and, having done so carefully, I intend to support the Government in the exclusion of public servants. When I was a candidate for election to this House, I stated, in answer to a question, that I was in favour of the principle of arbitration, and of its extension to the Public Service of the States. But subsequently, having given careful consideration to the provisions of the Constitution, I arrived at the conclusion that this principle could not be extended to public servants other than railway employes. I hold that

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I N D E X

TO

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PART I.

SPEECHES.

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Appropriation Bills.—Where the Estimates in Chief and Estimates for Works and Buildings have been separately transmitted to the House by the Governor-General, the Committee of Supply may report its two sets of resolutions separately or simultaneously,

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it thinks fit, and the House may be asked in one motion to agree to them. After the resolutions of the Committee of Ways and Means have been come to, reported, and agreed to, the House, in accordance with the Constitution, will order a Bill to be prepared and brought in to carry out each set of resolutions, 7438-40

Bills.—After the question for third reading of A Bill has been put, it is too late for a member to move for the recommitment of any of its provisions, 1043

If there is no objection to the recommitment of a clause, and the question is simply as to what shall be done upon its recommitment, that matter can be most appropriately dealt with in Committee. But if there is any difference of opinion as to whether it should be recommitment that matter should be debated in the House, 4522

The reasons for disagreeing to the Senate's amendments in a Bill may be put separately, 8016

New clauses ought not to be debated until the Committee stage of a Bill is reached, 8159, 8316

The proposal of Mr. Watson to amend the Senate's additional proviso to clause 55 of the Conciliation and Arbitration Bill is not out of order, because, although by defining the words "political purposes" in that proviso it might also be held to define the meaning thereof in the previous proviso, the two matters sought to be amended are inseparably related, 7992

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Debate.—A member not holding office under the Crown cannot speak from the ministerial bench, 1289, 1662

The use of the second person by a speaker is unparliamentary: his remarks should be addressed to the Chair, 1368, 1582, 1657-8, 1661-2, 4080, 4155, 6566

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A member should not turn his back upon the Chair and address the galleries, 4832, or other parts of the Chamber, 5547

Repeated disobedience of the calls to order by the Chair merits and must receive only one form of treatment, 1662

In a debate on the policy of the Government a member may make only incidental references to past events for the purpose of defending himself against imputations which may have been cast upon him: the scope of the debate should be confined as far as possible to the proposals of the Government, 1540-2. If a member deems an expression used on a certain occasion by the Prime Minister to be an approval of some socialistic programme, he is entitled to indicate what the nature of that programme is, 1662

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An irrelevant interjection in no wise justifies an irrelevant speech, 87, 4076, 7724

On a motion for adjournment to discuss the distress existing through the want of employment, a member may refer to the effect of the Tariff in that regard, 3333

The standing orders preclude the discussion of any matter other than that which is immediately before the House; an irrelevant interjection cannot be held to justify an irrelevant speech thereupon, 87.

It is irregular to debate an irrelevant interjection, or even an irrelevant remark made by a speaker, more especially when it was discontinued by direction from the Chair, 3512

When two distinct issues are involved in a complicated motion, they may be discussed separately, by unanimous consent, but not otherwise, 3484-5

Every member is entitled to place his views before the House, even though they may be views from which every other member dissents, 3726

On the question that a clause of a Bill be recommitment in order that its proviso may be replaced by another, the two alternatives may be debated, 4065

The question of the dissolution of Parliament or otherwise is within the prerogative of the Governor-General, and must not be debated, 4141

On a motion to suspend the Standing Orders to discuss a matter of urgent necessity, a member has the right to use any reasonable arguments on the point, 4142-3; and his remarks should be relevant to the question, 4145-9, 4153. He cannot discuss the subject which he wishes to debate if the motion be carried, but he may give, as fully as he pleases, the reasons why he thinks the Standing Orders should be suspended, 4147, 4150-1

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of the House; but it would be more convenient if he dealt with the matter on the Bill itself, 4269

The Standing Orders do not require an assurance that a statement is incorrect to be accepted, but amongst gentlemen it is always done, 4345, 5247

On a motion of no-confidence in the Government, the remarks of a member should be connected with the question under discussion, 4774, 4828, 4880, 4955, 5034-9, 5194-5, 5332, 5399, 5401, 5553, 5557; he is entitled to reply to any allegations made by previous speakers, 4996, 5539, 5553-5, but not to discuss the acts of a private member in a State Parliament, 5401, except when that member has referred to them, 5402

On a motion for adjournment of the House, it is not competent for a member to discuss matter relating to an adjourned debate, unless what he desires to say relates to some urgent matter, and he obtains leave to make a statement, 5216

Members should make a stronger effort to uphold the dignity of debate, 5289

On a no-confidence motion the conduct of Ministers may fairly be discussed. But the conduct of Ministerial supporters may only be discussed in so far as they have spoken during the debate, and expressed views one way or the other, 5539

A remark in reference to the fairness of a Select Committee, interjected by a member, and requested to be withdrawn by the member speaking, cannot be withdrawn at that stage, 5858

On a motion for the second reading of a Bill, to provide for a bonus, a discussion on the relative merits of protection and free-trade cannot be allowed; but a member may incidentally refer to the possibility of a protective duty being required later on to assist the industry, 5943-4; and he may instance any analogous case, 5958-9

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On a motion to restore an Order of the Day, anything relating to the necessity for the motion is in order, 6565; the policy of the Government cannot be discussed, 6586

The Standing Orders do not prevent a discussion on a question, even though it may be under consideration in some other form by a Select Committee of the House, 7115

On a motion to agree to resolutions of the Committee of Supply, a member is entitled to discuss a matter which could have been dealt with on the Estimates for a Department, 7441

On a motion to give precedence to Government business, a member may discuss the order in which a notice of motion and an order of the day, under the head of general business for that day, should be discussed, 7720

On a motion to adopt the Committee's report on the Senate's amendments to a Bill, a member may discuss the amendments, but not the general aspect of the measure, 8013-4

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The debate on a question is closed when the mover has spoken in reply, 8110

In dealing with the second or third reading of an Appropriation Bill, a member cannot discuss a question of policy concerning anything which is not strictly provided for by the Bill, 8111-2, 8143-7. On a motion to adjourn the debate a member may advocate the adjournment, on the ground that it will enable the House first to receive information as to the scope of a Royal Commission, so long as he does not go into matters of detail, 8148-54

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Debate, Adjournment of.—A member cannot conclude his speech with a motion to adjourn the debate, 1610, 3274, 6210; but he may, ask leave to continue his speech on a later day, 5861.

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A member should not provoke another member to interject, 600

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It is improper for members to interject continually, 1341, 1381, 1406, 1652, 1659, 3348, 5006, 5050, 5109, 5210, 5314, 5555, and particularly to interject by remarks to each other across the Chamber, 1341

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A member is not in order in interrupting a speech in order to contradict a statement therein made; he can make an explanation, if he desires, when the speech is concluded, 1382, 4964

Members should make only such interjections as appear to them to be absolutely called for, and should not interrupt the speaker, 1383, 5432-3

A speech should not take the form of a dialogue, 1652, 5439

Members should not converse in loud tones, but should give their attention to the speaker, 1300, 2372, 4691

Members should either refrain from conversing with each other, or converse in such a tone that the speaker will not be interrupted, 3036

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A member ought to remove his hat before he interjects, 3447

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It is not permissible for a member to read an extract during the speech of another member, 4461

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Members who distinctly and repeatedly disobey the Chair will have to be named, 4197, 4809, 4951, 7727

If members do not make a more dignified use of the liberties they enjoy, the extreme course of naming them within the meaning of the Standing Orders will be adopted, and the procedure will be followed by suspension for such term as the House may direct, 5063

After the conclusion of a debate in which of necessity special liberty was allowed to members, proper decorum should be observed, and the rules of the House against interruptions complied with, 5580

Interjections which are short and of rare occurrence are not objected to, but those which are so frequently made and so long as to interrupt a speaker cannot be allowed, 5780

Not only is it disorderly to interrupt by interjection, but it is equally disorderly to interrupt by loud laughter, 6569

Exchanges across the Chamber which deal purely with personal matters, and not with the question before the Chair, are entirely out of order, 7726

Language, Parliamentary.—It is not out of order to say that the issue in New South Wales, at the general elections, was a "dirty issue," 86; or that the remarks of a member have sometimes been "very rude," 3464; or that a statement made to a member is untrue, 3510, 5062; or that a statement in a newspaper is untrue, 4416; or that a member is monetarily interested in the Denton Hat Mills, 5378; that the intention of members generally is to waste time, 6591; or that the interjections of a member are a source of annoyance, 7727

Unless the remarks of a member are unparliamentary, they cannot be ruled out of order, on the ground that they are contrary to good taste, 6592

Language, Unparliamentary.—It is not in order to describe the conduct of a member as cowardly, 86; or buffoonery, 3347; or to speak of "his wiles, his turns, his tricks, his subterfuges, and his appeals for votes," 4223

to say a member's statement is untrue, 93, 517, 599, 668, 1343, 1661, 1664, 3439, 3510, 3738, 4186, 4221, 4224, 4231, 4255, 4409, 4733, 4820, 4961, 5062, 5116, 5219, 5285, 5436, 5573, 5583, 5850, 5946; or blackguardly, 3612; or false, 5103, 5574; or mad, 6585

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to refer to a member as a slanderer, 669; as "my republican brother," 2112; as a mountebank, 4229, or as a sand-bagger, 4262; as a political hypocrite, 4823; as half a lunatic, 5400; as "a ridiculous political ass," 5945; as a nuisance, 7431

to designate the answer to a question as an official falsehood, 1560; or an amendment as a despicable trick, 4030; or language of a member as "Fenian," 4823

to allege that a member has been trying to square twenty members, 3611; or would be open to accept a bribe, 3612; or was not sober, 5050; or is a gentleman the reverse of the highest type, 5741; or attempted to mislead the House, 5748; or that his action is an indecent shuffle, 6213 to charge the House, or any section thereof, with resorting to despicable methods, 4151 to characterize one-half of the charges of any members as being malevolent and the other half as false, 4232

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to say that on the previous evening a member was "pulled down," 4261

to accuse a member of bribery, 5045; or of lying, 5575; or of wasting time, 6591

to apply to any members the term "assassination," 5247; or "asses," 5392

to say that any member of the Parliament has stolen anything, 5546

to reflect upon a member, 5741; or upon the action of the Chair, 7727

to hint at a suspicion of corruption on the part of a member, 5792-3

to cast a slur on the House, 5792

to speak of a section of the House as a servile or slavish majority, 6591

to repeat a statement, 6885

to describe a member's speech as drivel, 7428

to allege that the Government resort to contemptible and miserable tactics, 7724, or to contemptible tricks, 7725

to request a member to shut his mouth, 7726

to assert that any ruling is unfair, 8110

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A remark must be withdrawn which is regarded as offensive, 3335, 3464; or as objectionable, 4147, 4158, 4164, 4231, 4248; 5205; or as displeasing, 4851, 5252

A remark ruled out of order must be clearly withdrawn, 93

An unparliamentary remark should be withdrawn without qualification, 1343, 5050; or argument, 3510; or remark, 5573

If a phrase used by another member is objected to by the speaker, it must be withdrawn, 1662

A remark to which the Chair cannot take exception, but which is considered by a member to reflect upon himself, should be withdrawn, 2309

An unparliamentary statement cannot be reasserted, 3510; or practically repeated in another form, 3612

Personal remarks about a member's stature are not in order, 4508

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- If a member desires a statement to be withdrawn he is entitled to have his request complied with, 4509
- If a member is offended by any remark from a speaker, he has a perfect right to ask for its withdrawal, 7727
- Ministerial Statement.**—A Ministerial statement relative to a matter in Committee on a Bill cannot be made in the House without leave, 2696
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- It is always open to the Prime Minister to lay a paper on the table, and to make any remarks he may desire in connexion with the motion that it be printed, except that in that regard he has no privileges which any other member does not possess, 6884-5
- A Ministerial statement relative to the Tariff Commission should be made after the questions upon notice have been disposed of, 7522
- Motions.**—A motion requires to be seconded, otherwise it cannot be debated, 336-7, 6889
- A member may intimate his desire to have a notice of motion standing in his name set down for another day, 2185
- After the mover of a motion has concluded his speech, the motion cannot be altered except by way of amendment, 1313, 2383
- A motion to refer to a Royal Commission certain clauses proposed to be inserted in a Bill before a Committee is in order, 3463
- A motion cannot be withdrawn, except by leave, 7722
- A motion cannot be moved without notice, except by leave, 8476
- Motions for Adjournment.**—A member is required to hand to the Chair a statement of the purpose for which he desires to move the adjournment of the House, 2521
- The debate on a formal motion for adjournment cannot exceed the allotted time unless the orders of the day be postponed, 3348, 3740
- A member must obtain leave before he can move the adjournment of the House to discuss a particular subject, 3726
- After the adjournment of the House is moved (at conclusion of sitting), it is not competent to move another motion, 5286
- Even though the Estimates are under consideration in Committee, a member may move the adjournment of the House to discuss a matter personal to himself, and affecting him in his representative capacity, 6089; but a convenient rule is for an attack on a member or on the House to be dealt with on a question of privilege, or in a personal explanation, 6098
- A motion to adjourn the House to an unusual day may be moved without notice by a Minister, 6298
- A member having moved the adjournment of the House cannot amend his motion, 6888
- The adjournment of the House cannot be moved by a member to debate a question which he will be at liberty to discuss the same day on the first item of the Estimates for a Department, 6887-8

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- The fact that five members support a motion for adjournment is conclusive evidence of its urgency; but it is out of order when it is moved if it anticipates the discussion of a question on the notice-paper, 6888-9
- A motion for adjournment should relate to one definite question, 7206, 7212
- Orders of the Day.**—When two hours have elapsed since the meeting of the House, the orders of the day must be called on, unless otherwise determined, 6580
- In the case of a count-out in Committee of Supply, it is in order in the one motion to move first that the consideration of the business be resumed, and secondly, that a date be fixed for its resumption, 6569
- Papers.**—With general concurrence original papers may be returned, when applied for, in any case where it appears improbable that they will be further required, 2018
- Original papers which it is considered inadvisable to copy, can be placed by the Minister upon the table in the Library, 2018; but the Librarian cannot guarantee the safety of any document in a file, 2184
- There is no authority or practice warranting the distribution, as a paper of the House, of a paper prepared by a member, unless it has been laid on the table, and the Printing Committee has authorized the printing of it, 7112
- Personal Explanation.**—A member cannot make an explanation during the speech of another member, 116, 4964, 5342, 5574, 5583, even with his permission, 116, unless the unanimous consent of the House is given, 1387
- An explanation is allowed to be made at the conclusion of a member's speech, 3599, 4458, 5342; but not after the mover of the motion has replied, 5589
- A personal explanation by a member is not open for debate, 1393, 4685, 4812, 4824, 4960, 5560, 5938, and should be free from argument, 1657, 4518, 4684, 4825, 4834, 5047; and from new matter, 5048, 5052
- A member making a personal explanation cannot continue from that explanation into a speech, 4231-2
- If it is the pleasure of the House a member may make a second personal explanation, 1668
- In making a personal explanation, a member ought not to traverse, except incidentally and most briefly, any matters which another member in his speech was prevented by the Chair from continuing to discuss, 1672-3
- A member may make an explanation concerning any statement of his own; but he cannot challenge the statements of any other member, or ask that certain questions shall be answered at a later stage, 3245
- The prohibition of debate on a personal explanation precludes explanation after explanation being made, first by way of attack, and then by way of reply, 4834
- A member is only entitled to explain any remarks in respect of which he has been misunderstood or misrepresented, 4824, 4960, 5045, 5052, 5113, 5160-1, 5560
- A personal explanation may be made by a member in regard to a speech delivered outside the House by another member, who is

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at liberty to make a rejoinder, provided that it is in the nature of a personal explanation, 4917

A personal explanation by a member cannot be allowed as a reply to what another member has said, 5045, 5559, 5560, or to an interjection, 5052; but the House may be asked for leave to make a statement, 5052, 5161, 5216

A member is at perfect liberty in the House to explain the circumstances under which a certain course was taken in Committee; but he cannot reflect upon the Chairman, 6884

Petitions.—The questions for receiving and for reading a petition are put separately, if so desired, 489

It is for the Printing Committee to recommend whether a petition or any part of it shall be printed; a member may not move that a petition be printed unless he declares his intention to take action upon it, 489

A petition praying the House not to pass the Conciliation and Arbitration Bill (although stating views at great length) is in order, 490

A petition containing no prayer is informal and cannot be received, 3223

The omission of the words "in Parliament assembled" does not invalidate a petition, 8306

Points of Order.—The motive of a member in the course he has taken is not a point of order, 3737

No question of order is involved in a refusal to accept the denial of a member, 5247; or in a statement that a member is monetarily interested in the Denton Hat Mills, 5378; or in a question of good taste, 6592

Every member has the right to raise a point of order whenever he may please; but members should abstain, as far as practicable, from taking points of order again and again and rely upon the watchfulness of the Chair, 4178

A general discussion on a point of order is irregular, 7991

Private Business.—There is no standing order that when orders of the day are taken first, notices of motion shall be called on at the expiry of two hours; but, in accordance with the desire of members, the time on Thursday afternoons will be equally divided between orders of the day and notices of motion, 7423

It is not out of order for the Prime Minister to move a motion, on notice, to give precedence to Government business, 7718

Privilege.—The failure of a member to elicit the opinion of the Government on any subject does not involve a question of privilege, 3034

The misrepresentation of one member by another outside the House does not involve a question of privilege, 4917

A member may state in such manner as he may desire, but at not too great length what the question of privilege is, or he may conclude with a motion, 4917

Questions on notice.—A member may hand in a notice of a question to the Clerk at any time during a sitting, 143

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Where the question of a member has not elicited the desired information, it cannot be allowed to remain on the notice-paper unless a request to that effect be made, 2520; nor can the matter be regarded as a question of privilege, 3034

A Minister should not discuss a question to which he is replying, 6099

Questions without notice.—A member in asking a question is not permitted to express an opinion or discuss the matter, 456, 2426, 2428, 2468, 2654, 2656, 3033, 7489

A question without notice cannot be asked after the questions upon notice have been answered, 2606

A question arising out of another question should not be asked until the latter has been answered, 3070

A question addressed to a Minister may be answered, first, by the Prime Minister, and then by the Minister addressed. The Prime Minister, by virtue of his office, may reply to any question of policy, 6882

Questions addressed to one Minister may be answered by another, but one private member cannot reply for another, 6882

Questions may only be addressed to private members in respect of any business of which they have charge, 6885, 7410, 8093

Quotations and References.—It is not in order to refer to anything that has taken place or is pending in the Senate, 91, 2606, 3610; or to its business-paper, 8200

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to refer to debates in another place, 2112

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to quote from a letter an expression to the effect that a member's statement to the House was false, 3633

A member is allowed, on the motion for adjournment, to refer to a previous debate for the purpose of making a personal explanation; but he is not permitted to exceed the limits of a personal explanation, 1393, 1672

A member is not allowed on the motion for adjournment, to refer to a debate pending, 5045

A member cannot be prevented from quoting from a State parliamentary paper an extract reflecting upon another member, 5045

When an allusion has been made by one member to a previous debate of the session, subsequent speakers may refer to his statement, though remarks in reference to past debates, and casting reflections on the previous actions of members, are very undesirable, 6584

The course of referring in the House to the proceedings in Committee is not a desirable one; but, as a matter of privilege or personal explanation, a member may refer to an occurrence in Committee, 6883-4

Right of Speech.—A member cannot discuss a motion to adjourn a debate until it is seconded, 336-7, 5894

By leave a member may continue his speech on a subsequent day, 353, 832, 1287, 1393, 2896, 3275, 6210, 7732

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When the time allowed for the consideration of notices of motion has expired, the speaker may either ask leave to continue his speech on another occasion, or move the postponement of the orders of the day, until after its conclusion, 7732; or he may ask leave to continue his speech on the present occasion, 8108

To ask a question on the motion for adjournment is to exercise the right of speech, 1289

An inquiry by a member on a motion forms part of the debate, 8110

A member is only entitled to speak to a formal motion of adjournment for the prescribed time, 3349, 5752

Where a member was understood by the Chair to rise only for the purpose of making a personal explanation he cannot proceed to discuss the question, but must await his turn to be heard, 4231-2

After the mover of a motion has commenced his reply a member who has not spoken to the question cannot speak except by leave, 4690-1

When the mover of a motion has replied, no further speeches are allowable, 5589

Where one member moved the recommitment of certain clauses of a Bill, and another member concluded his speech on the motion by moving an amendment, and the debate being confined to the amendment until it was disposed of, the only members who cannot speak to the motion when the debate is resumed are those two, 4522

When a member asks for an adjournment of the debate, and proceeds to say that he will offer only a few remarks, he is held to have begun his speech on the question, 5859

A member cannot speak to a motion which has been withdrawn by leave, 6478

No member, whether the Prime Minister, or any other, has any right to make a statement, without the leave of the House. There must be some matter before the Chair to enable any member to speak, 6884

The mover of a motion is not enabled to answer a question by any speaker until he exercises his right of reply, 8016

The rights of the mover and seconder of a motion to adjourn a debate are not interfered with when the motion is negatived, 8551

Rulings.—A member ought either to observe the ruling of the Chair, or to move that it be disagreed with, 4247-8, 6888

Select Committees.—After a motion for appointing a Select Committee has been moved no substitution of a name may be made, except by way of amendment, 1313

Unless a Select Committee has obtained leave to report the minutes of evidence from time to time, its proceedings cannot be reported in the press, 1524

Standing Orders.—Any motion that would violate the terms of a standing order could not be accepted by the House, 685

On a motion to suspend the Standing Orders to discuss a matter of urgent necessity, the mover may proceed until the Chair should find it necessary to interpose, 4141, 4145-7

It is quite competent for the House to suspend the Standing Orders for one purpose or for more than one, 4149

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The debate on a motion to suspend the Standing Orders is restricted by standing order 119, 4155

A motion to suspend the Standing Orders may, by leave, be moved without notice, 4542, 7510

The suspension of the Standing Orders should not be moved until the necessity has arisen, 7438

Strangers.—By leave, a distinguished stranger may be invited to take a seat within the Chamber, 6088

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Section 36 of the Constitution does not prevent the Chairman of Committees from relieving the Speaker in the chair during a sitting of the House, 686

Anticipating Discussion.—On a motion for the House to adjourn to an unusual date a member may refer to the work which might otherwise be done, but he cannot discuss the business on the notice-paper, 3893

Subpoena to Clerk.—By leave of the House the Clerk or an officer of his staff may obey a subpoena from a Court to attend and produce a writ, 2466

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Chairman of Committees.

Anticipating Discussion.—A member cannot anticipate the discussion of a notice of motion, 6008-9, 6025, 6303, 6314-5, though an incidental reference to the subject may be made, 6016, 6143

By leave, a Minister may make a statement before the Estimates of his Department are reached, 6383

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